The

Ron Carey

Slate

Teamsters International Convention
Orlando, Florida
June 24-28, 1991

Federal Labor Law Prohibits Employer Contributions

Ron Carey For IBT President

Committee To Elect Ron Carey
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To: All Carey Slate Convention Supporters **June 21, 1991**

Dear Brothers & Sisters,

Enclosed for your information is a collection of materials which may assist you throughout the convention.

The following items are in this packet:

- Summary of the Carey Slate amendments and resolutions.
- A general overview of Roberts Rules Of Order (the official convention rules should be available upon your arrival).
- Excerpts from the June *Teamster Magazine* which contain recent current updates, etc.
- A collection of news articles pertaining to the convention.

Throughout the convention's proceedings communications between our delegates, alternates and supporters will be of utmost importance.

To ensure the flow of information we've developed a Conference Coordinator and State Whip system. The Conference Coordinator will have the overall responsibility of keeping all State Whips informed of the day-to-day strategy. State Whips will be responsible for ensuring our plans of action will flow to the delegates and alternates in their respective states. Listed on a separate page are the Conference Coordinators and State Whips.

Throughout your stay in Orlando keep in mind that some political camps may on occasion attempt to lure you into useless debate.

— DON'T GO FOR THE BAIT —

— KEEP COOL —

— KEEP IN TOUCH WITH YOUR STATE WHIP AND CONFERENCE COORDINATOR —

Immediately after each day's proceedings, all conference coordinators and state whips will be meeting with all slate members to ensure our next day's plan of action is thoroughly discussed and communicated to our supporters. Arrangements are now being made to have the necessary meeting rooms available in the event conference delegations want to caucus on a nightly basis.

Again, on behalf of my running mates and our campaign supporters all across North America — we thank you and look forward to working together to recapture our union.

Fraternally,

Ron Carey

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TO: CAREY SLATE DELEGATES, ALTERNATES AND SUPPORTERS TO THE 1991 TEAMSTERS CONVENTION

As you probably know by now, Ron Carey has submitted to the Constitution Committee proposed amendments to the I.B.T Constitution and proposed resolutions for the 1991 Convention. These amendments and resolutions incorporate the principles of our **"Platform For Tomorrow."** They represent yet another step in our on-going efforts to rebuild a strong, responsive and truly democratic union which will ensure its members a secure and prosperous future.

What follows is a brief summary of our platform points and the amendments and resolutions which we have introduced. Copies of the complete text can be obtained from the Carey Campaign Committee which, during the Convention, will be located at the Dolphin Hotel.

1. All Local and International Union Officials Will Be Elected By The Rank-And-File

Articles III and IV of the International Constitution shall be amended to provide for the direct, secret ballot rank-and-file election of all delegates to the International Convention and all international officers.

2. Outrageous Multiple Salaries For Union Officials Will Be Abolished

Article V of the Constitution shall be amended to: (1) prohibit all International officers from also drawing a salary from an affiliate or subordinate body of the IBT; (2) set salary caps of $150,000 for the General President, $125,000 for the Secretary-Treasurer, and $100,000 for the Vice Presidents and Trustees; and (3) eliminate unlimited vacation time and unlimited international travel for the General President and General Secretary-Treasurer.

3. Better Pensions Are A Must — Trustees Will Work For The Members

Ron Carey has introduced a resolution committing our Union to working toward the goal of improving pension benefits for all members, including achieving full retirement benefits for all members after 25 years of service, regardless of age. The resolution also resolves that our Union will develop procedures to ensure that all Teamster pension fund trustees remain accountable to the interests of our members. Finally, the resolution promises to eliminate huge, multiple pensions for international Union officers in accordance with the law.

In a separate resolution concerning retiree benefits, Carey committed our Union, through collective bargaining and legislative work, to improving health and pension benefits for its retired members.

4. Corruption Will Not Be Tolerated

Carey has introduced an amendment to the Constitution establishing a permanent Ethical Practices Committee. This committee, whose members must be approved by the delegates at every International Convention, will be comprised of 11 persons of high public repute, one each from the five IBT conferences and five non-Teamsters as well as the committee's chairperson. The committee is designed to replace the Independent Review Board (consisting of one member appointed by the Government, one member by the IBT and a third member selected by these two) WHICH WAS SET UP IN THE Consent Decree entered into by the government and the IBT. The Ethical Practices Committee's mandate is to investigate and take all necessary action concerning corruption, and to ensure the highest ethical standards in the administration and operation of our union.

5. Health Care Benefits Will Improved

In an effort to deal with the rapidly rising health care costs in this country, as well as employer efforts to shift the burden of these rising costs onto the backs of Teamster families, Carey introduced a resolution committing the Union to working toward the creation of a system of national health care. Until such a system is in place, Carey resolved to use our Union's collective bargaining power to negotiate sufficient increases in employer contributions to Teamster health and welfare plans to provide necessary benefits for our members and their families.

6. The Union's Strike Fund Benefits Will Be Increased

Article XII of the Constitution shall be amended to increase strike benefits from $45 per week to $100 per week for the first four payments, and from $55 per week to $150 per week thereafter.

7. Canadian Members Will Receive Fair Representation On The General Executive Board

Article IV of the Constitution shall be amended to add another Regional Vice President from the Canadian Conference.

8. Other Constitutional Amendments

A. Amend Article XII of the Constitution to allow members to

vote on supplements and riders to national agreements;

B. Amend Article X of the Constitution to provide financial relief for local IBT affiliates comprised of low paid Teamster members;

C. Amend Article VI of the Constitution to allow the General Executive Board, in the event of a vacancy in the office of General President, to appoint a member of the General Executive Board who was elected at the last International officer election;

D. Amend Article XXII of the Constitution to allow the election of business agents and assistant business agents in the same manner as other elected local union officers.

9. Other Resolutions

Carey introduced a resolution on Teamster family issues committing our Union to aggressively working to secure collective bargaining agreements containing child care benefits, pay equity for women, and parental leave and flexible work schedules to allow our members to care for their families. The resolution further commits our Union to working for legislation securing these same rights.

Finally, Carey introduced a resolution on new Teamster priorities. Recognizing the national leadership of this Union has, for years, supported anti-union administrations in Washington, has presided over a dramatic loss of membership, influence and effectiveness, and has placed the affairs of this Union in the hands of the government for an indefinite period of time, the Carey resolution resolves that in the future, our Union will:

- Offer its political and financial resources only to politicians who support the goals of this Union and organized labor (including a ban on permanent striker replacements).

- Set a new course of action to renew the strength and energy of this Union.

- Re-direct our resources away from excessive salaries and benefits for international union officials and toward organizing, training and educational programs for our members and local officials, hard-nosed collective bargaining, and other strategies and programs which will rekindle our members' pride in being Teamsters and return our Union to its rightful position of leadership in the trade union movement and in American life.

RULES GOVERNING THE 1991 IBT CONVENTION

The Convention will be governed by the 1991 IBT Convention Rules, the Supplementary Election Officer Rules, Roberts Rules of Order and Parliamentary Procedure. Copies of these are in the Carey Campaign Offices. Where any of the rules conflict, the Convention Rules and the Election Officer Rules always take precedence over Roberts Rules and Parliamentary Procedure. The 1991 Convention Rules, which will be issued shortly before the Convention begins, may differ in some respects from the 1986 Rules discussed here, so you should pay attention to the new Convention Rules which will be read and approved on the first day of the Convention. Knowledge of the following rules relating to Motions will enable you to participate more fully at the Convention.

1. PRINCIPAL QUESTIONS OR MAIN MOTIONS

A Main Motion is the main idea that the convention delegates are working on at a particular time. Main motions include resolutions, amendments to the IBT Constitution and motions to adopt or approve Committee Reports.

2. AMENDMENTS TO MOTIONS

Amendments serve the purpose of changing a motion before that motion comes up for a final vote. An amendment must be relevant to the motion, but may completely change the meaning of the motion.

- A delegate may seek to amend a main motion. Once this occurs, debate shifts from consideration of the main motion to consideration of the amendment.

- A delegate may offer an amendment to the amendment. In this case, debate shifts to consideration of the amendment to the amendment.

- Beyond this, a delegate may not seek to further amend a motion unless an earlier amendment has been rejected.

General rule - Consideration of an amendment always takes precedence over consideration of the motion to which it applies.

3. SPEED UP CONSIDERATION

A delegate seeking to speed up consideration of a matter may make a Motion to Close Debate (also known as "Calling the Question") or a Motion to Limit Debate. These Motions require 2/3 vote and cannot be debated.

4. BLOCK CONSIDERATION

Delegates seeking to block consideration of a matter may make a Motion to Postpone Indefinitely, Motion to Postpone to a Definite Time or a Motion to Refer to Committee. These Motions require majority vote. Debate on these motions is permitted.

5. REQUESTING INFORMATION

The following requests should be addressed to the Chair, and are in order even while another speaker holds the floor:

a) Parliamentary Inquiry

Questions about procedure or rules - e.g., "Mr. Chairman, are we voting to close debate on the amendment or on the actual amendment?"

b) Point of Information

Points of information include questions about the substance of motions - e.g., "Mr. Chairman, I would like to ask the delegate who proposed the amendment a question," or "Mr. Chairman, what responsibilities would be eliminated under this proposed Constitutional Amendment?"

6. POINTS OF ORDER

Points of order are made to correct an obvious mistake made by a delegate or to correct the Chair when it has made a mistake or wrong decision. A delegate may rise to a point of order by saying, as s/he rises (and without waiting to be recognized by the Chair), "Mr. Chairman, I rise to a point of order." (e.g., to interrupt a delegate who is offering an amendment to an amendment to an amendment.)

7. SPEAKING RIGHTS

- Any delegate who makes a motion upon which debate is allowed has a right to speak in support of that motion.

- Any delegate wishing to speak should stand, respectfully address the Chair and announce his/her name and local affiliation. Speakers must confine themselves to the issue under debate, speak no more than the allotted time and avoid all improper language.

- A delegate may not speak more than once on the same subject or question. This is not applicable to Committee Chairs.

8. MOTION FOR DIVISION OF THE HOUSE (also known as "Motion for a Standing Vote")

When in doubt about the outcome of a voice vote, a delegate may call for a standing vote if 200 or more delegates also support the call for a standing vote.

9. MOTION FOR RECONSIDERATION

This motion is permitted on any matter except amendments to the Constitution. It is only permitted at sessions during which the original matter was considered. It must be made by the delegate who voted with majority. (Convention Rule 12)

10. GENERAL POINTS RELATING TO MOTIONS

- All motions must be seconded except for Points of Order, Points of Information and Points of Parliamentary Inquiry.

- In general, except for motions to close or limit debate, all motions can be debated and require a majority vote. Motions to close or limit debate need not be seconded.

11. NOMINATIONS OF INTERNATIONAL OFFICERS

1. Lot Drawings

Lot Drawings for the order of floor nominations will be held on Sunday, June 23, at the Asia Room of the Dolphin Hotel.

2. Nominations and Seconds

A. There will be three microphones on the Convention floor - one for nominators, one for seconders and one for members accepting nominations.

B. Delegates nominating candidates for International VP or Trustee may give a speech lasting two minutes; seconders may give a one minute speech.

C. Delegates nominating candidates for GP or Secretary Treasurer may give a five minute speech; seconders may give a two minute speech.

D. When nominating or seconding a candidate, you may state that that candidate is a member of the Ron Carey slate. This is very important, because candidates will not appear on the ballot with a slate affiliation.

3. Candidates Accepting Nominations

A. A candidate accepting a nomination may say that he/she is a member of the Ron Carey slate.

B. Candidates for GP and Secretary-Treasurer may make a ten minute acceptance speech. Candidates for VP may make a three minute acceptance speech.

4. Voting Procedure

Voting will take place, by conference, in the Exhibit Hall on the 2nd, 3rd and 4th days of the Convention from 5:00 p.m. to 8:00 p.m. The schedule is:

Tuesday, 6/25	-	Nomination of Regional and At-Large Vice Presidents
Wednesday, 6/26	-	Election of Trustees
Thursday, 6/27	-	Nomination of GP and Secretary-Treasurer
Friday, 6/28	-	Any necessary re-runs

Results will be announced at 9:00 p.m. following each day's voting in the press briefing room of the Dolphin Hotel.

5. Floor Demonstrations

Ten minutes floor demonstrations are allowed following the nomination of GP and Secretary-Treasurer. We will advise you further about this at the Convention.

6. Campaign Activity

Generally, electioneering and literature distribution is prohibited in or around Halls A and B on days when nominating or voting is occurring. Hats, buttons and T-shirts are allowed in the Exhibit Hall.

Report XXIV to All Members of the International Brotherhood of Teamsters

From: Frederick B. Lacey, Independent Administrator

I
INTRODUCTION

In this Report, I will discuss the following matters:

(1) Two decisions issued by United States District Judge David N. Edelstein regarding the June 1991 Convention, and my letter to Judge Edelstein requesting his presence in the United States Court House in Orlando, Florida, to rule on and decide the disputes that may arise during the week of the Convention;

(2) The status of the election process concerning the IBT International Union Delegate and Officer elections, including the Election Officer's role regarding the June 1991 Convention; and the April 12, 1991, Opinion of the United States Court of Appeals for the Second Circuit regarding the Election Rules and the Election Officer's staffing requests;

(3) Disciplinary matters, including brief summaries of my April 8, 1991, Decision on the charges against Alphonso Lyles of IBT Local Union 854; my April 11, 1991, Decision on the charges against Andrew Reynolds of IBT Local Union 641; Judge Edelstein's May 10, 1991, Opinion affirming my Decision regarding Theodore R. Cozza; and a detailed account of the latest disciplinary charges filed by the Investigations Officer against Michael J. Riley, William Cherilla, Jack Weber, Duane Wilson and Michael H. Dickens;

(4) The status of the appointment review process including an update on proposed appointments placed before me for review by General President McCarthy; and United States District Judge David N. Edelstein's affirmance of my decision to veto the appointments of Jack B. Yager;

(5) The status of the election protest appeal process including an update on my decisions; and an April 3, 1991, Opinion of Judge Edelstein, affirming my decision in 91-Elec.App. 43 (the Yellow Freight case);

(6) The May 1, 1991, Order of Judge Edelstein regarding his future practice concerning Agreements resolving disciplinary charges; and

(7) The work of my Audit/Investigative staff regarding the June 1991 Convention which resulted in a $165,000 savings to the IBT.

1. THE JUNE 1991 CONVENTION

Judge Edelstein has issued two orders affecting the Convention, and more particularly, the procedures established by the Consent Order for the historic secret-ballot election of International Officers.

On April 12, 1991, the United States, the IBT, and representatives of the Court-appointed Officers were present before Judge Edelstein for a conference to discuss election procedures. At this conference, Judge Edelstein addressed the election process as follows:

> This is going to be a free election. It is not going to be dominated by hooligans. It is not going to be dominated by characters who should not be in charge of anything—let alone a free election.
>
> I am determined that this Consent Decree will succeed and that these honest members of the union are going to have a chance to be heard.
>
> I want you to mark and burn every word into your memory. I say and I repeat probably ad nauseam: I will use every power of this government, including my own power as a judge, to see that this Consent Decree is given full force and effect and I'm determined to see that it achieves its purpose.

Thereafter, on April 29, 1991, Judge Edelstein issued an Order (printed elsewhere in this issue) authorizing the United States, the IBT and me as Independent Administrator the authority to make immediate application to the Court in the event that:

> [A]ny dispute or other issue arises at the June 1991 IBT Convention concerning whether any action taken or contemplated by anyone at the Convention is or would be in violation of the Consent Decree or the Election Rules approved by this Court, or otherwise threatens to prevent the full implementation of the Consent Decree. . . .

Judge Edelstein also ruled that any party filing such an application:

> [S]hall have the further right to notify the other parties that the Convention proceedings shall be suspended until a ruling has been sought and obtained from this Court. . . .

Once again, the IBT has appealed Judge Edelstein's Order to the United States Court of Appeals for the Second Circuit.

On May 6, 1991, Judge Edelstein issued another Order regarding the conduct of the Convention. That Order is also published in full elsewhere in this issue. In the Order,

Judge Edelstein stated:

> No action taken by the IBT at the Convention can undercut the provisions of this Consent Decree.

Judge Edelstein issued the May 6, 1991, Order to preclude any efforts to scuttle the Consent Order and to prevent a reversion to the old method of selecting the Union leadership at the Convention. This order, in effect, guarantees that candidates for International Office will be nominated at the Convention by the delegates by secret-ballot voting. The International Officer candidates will then compete in a nationwide secret-ballot election to be conducted in December of this year.

Judge Edelstein's Order also serves to preserve the disciplinary procedures established by the Consent Order. Under these procedures, the Investigations Officer, Charles Carberry, has filed 104 charges against Union officers and members to date. These charges range from allegations of embezzlement to membership in La Cosa Nostra (organized crime).

As stated by Judge Edelstein:

> [The] electoral and disciplinary provisions of the Consent Decree are part of [the] IBT Constitution and binding on the subordinate entities regardless of the vote of the delegates at the IBT Convention unless its provisions are changed in accordance with ¶ L.17 of the Consent Decree.

As explained by Judge Edelstein:

> Paragraph L.17 [of the Consent Decree] has been interpreted as requiring approval [by the Government and the Court] of any changes to the IBT Constitution that would alter the background understanding of the parties as to disciplinary or electoral matters.

Further with respect to the Convention, I wrote to Judge Edelstein on May 6, 1991, requesting that, during the week of the Convention, he establish himself in the United States Court House in Orlando, Florida, to rule on and decide any disputes that may arise.

It is obvious that Judge Edelstein is not hesitant to invoke his full powers to ensure that the democratic process envisioned by the Consent Order is successfully implemented, and that those participating in the Convention conduct themselves in accordance with the IBT Constitution, the Election Rules and the Consent Order. My fellow Court-appointed Officers and I will also continue our diligent efforts to realize that goal.

2. THE ELECTION PROCESS

a. Election Officer's Role at the Convention

In accordance with the requirements of the Consent Order and the *Rules for the International Union Delegate and Officer Election* (the "Election Rules"), the Election Officer will have an active and highly visible role at the 1991 IBT International Convention. The Election Officer's responsibilities at the Convention will include, among other things, meeting with and reviewing the decisions of the Credentials Committee, meeting with other Convention committees, and supervising the floor and secret-ballot nomination processes for International Union Officers. The Election Officer will also supervise the secret-ballot election of International Trustees.

The Election Officer and his representatives will organize and monitor the floor nomination process to insure that only credentialed delegates participate. Only credentialed delegates, Election Officer representatives, and those who have obtained prior permission from the Election Officer (such as my staff and I), may be present on the Convention floor during the floor nomination process.

Election Office representatives will also supervise and monitor the secret-ballot nomination votes and the secret-ballot election for International Trustees. The Election Officer Representatives will make all voter eligibility determinations, handle all ballots and accomplish the ballot count. As in all election processes, appropriate observers designated by the candidates may be present during the secret-balloting; candidates and/or their observers may be present at the secret-ballot count. Observers must be IBT members but need not be Convention delegates or alternate delegates.

The Election Officer and his staff will maintain an office in the Dolphin Hotel, which is the Convention site. The office will be staffed throughout the committee weeks and the week of the Convention. Election Officer representatives will be available to answer questions about the nomination process, to meet with members and candidates, and to explain the nominating and voting procedures. For a complete description of the nominating and voting process at the Convention, please refer to Article IV of the Election Rules.

I will also have an office established at the Dolphin Hotel during the Convention.

b. Nominations for International Union Officer Candidates

At the Convention, delegates shall nominate candidates for General President, General Secretary-Treasurer, eleven (11) Regional Vice Presidents, and five (5) At-Large Vice Presidents, and shall nominate candidates for and elect three (3) International Union Trustees. The schedule of nominations and elections is set forth in Article IV, § 3 of the Election Rules. Only those delegates in the relevant delegate pool will be entitled to participate in the nomination process for the eleven (11) Regional Vice President positions. All delegates and alternate delegates must furnish picture ID's (for example, a driver's license with a picture or a passport), in order to receive delegate and alternate badges and to vote.

Listed below is a summary of the *Final Delegate Strength Calculations and Percentages Required for Nominations.*

	Number of Local Unions	24-Month Average Per Capita	Total Delegates	Required for Nomination[1] (5% of Total)
	180	492.169	628	32
	227	485.118	599	30
	49	105.701	135	7
	123	364.255	454	23
	43	83.350	122	7
IBT:	622	1,530,593	1,938	97

c. Credentials Committee

The Election Officer is also responsible for issuing [illegible]als to delegates whose elections have been certified. [illegible]s must be credentialed by the Election Officer. Election Officer will issue credentials to delegates in May or early June. The issuance of such credentials be subject to decisions on disciplinary charges made the Independent Administrator. On or about June 1, the Election Officer will issue a report on delegate [illegible]als to the General Secretary-Treasurer, the Credentials Committee, the Local Union Secretary-Treasurers, all delegates. The report will indicate which certified [illegible]s are entitled to be seated. Members are entitled challenge the Election Officer's determinations before Credentials Committee, which will begin meeting in [illegible] on or about June 17, 1991. Any member who [illegible] to challenge the Election Officer's initial report [illegible] file a challenge with the Credentials Committee, [illegible]g a copy to the Election Officer and to the [illegible](s) and/or alternate delegate(s) being challenged. [illegible] the Credentials Committee makes its decision, the [illegible] Officer will review the Committee's decision, and [illegible] the authority to amend or overrule it. Neither the [illegible] Officer nor the Credentials Committee will entertain credential challenges based on any issue or event [illegible] by the protest procedure of Article XI of the [illegible] Rules.

d. Certification of Delegates

Article XII, § 7 of the Election Rules provides that, [illegible] completion of the election process, where no objection to the election have been raised, or upon completion the protest and appeal procedure, the Election Officer [illegible] certify the election. As of May 8, 1991, over 90% of IBT Local Unions have had their delegate and alternate [illegible] elections certified by the Election Officer. A total 1,666 delegates and 929 alternate delegates from 567 [illegible] Unions thus have been certified by the Election [illegible]er. The Election Officer expects that, with the exception of the delegate and alternate delegates from a few Local Unions, the elections of all of the remaining delegates and alternate delegates will be certified by May 15, 1991. All delegate and alternate delegate candidates will receive written notification of their certification from the Election Officer. The Election Officer also sends a cumulative report of all delegate and alternate delegate elections to candidates for International Union Office.

[1] The listed number of delegate votes required for nomination assumes [illegible] by the full complement of delegates. Under the Election Rules, [illegible] IV, § 3(d), candidates "... must receive at least five percent (5%) [illegible] delegate votes *cast* in the secret ballot nomination vote." (Emphasis [illegible])

e. Advisory Regarding Convention Expenses

On April 19, 1991, the Election Officer issued an *Advisory Regarding Convention Expenses*. The Advisory has been mailed to all IBT subordinate entities and requesting IBT members and counsel. The purpose of the Advisory is to detail the Local Union's obligation to pay the reasonable Convention expenses of the delegates and, where applicable, alternate delegates. In the Advisory, the Election Officer states that the Local Union is obligated to pay the regular weekly salary or straight time hourly wages of those delegates and, where applicable, alternate delegates. The Advisory further explains that the Local Union is responsible for paying the travel and hotel expenses, and that delegates and alternate delegates, are entitled to receive an advance for per diem expenses.

The Advisory also provides that Local Union Officers shall, if necessary, certify to employers that elected delegates and alternate delegates are entitled to time off from work for official Union business. Finally, the Advisory states that the Election Officer will view a Local Union's refusal to pay the actual reasonable expenses of its delegates and, if applicable, alternate delegates as constituting a serious violation of the Election Rules. Anyone with questions concerning the payment of Convention expenses should call the Office of the Election Officer at the folowing toll-free number: 1-800-828-6496.

f. Summary of Election Officer Activities

The nomination and election process for delegates and alternate delegates to the 1991 IBT International Convention is now complete. Over 800 nomination meetings were held, and, in some of the larger Local Unions, upwards of 750 members attended the nominations meeting(s). In a majority of the IBT local unions located throughout the United States and Canada, there were vigorously contested delegate elections. Approximately three hundred thousand IBT members voted in the delegate election process, and thousands of members actively campaigned in support of various candidates.

Over 750 pre-election campaign protests were filed by IBT members. Those protests involved a myriad of charges of campaign violations from allegations of a lack of access to employer facilities for campaign purposes, to contentions that members' rights to engage in political activities were improperly stifled, to arguments over proper campaign financing. Pre-election protests were filed with respect to nearly every Article of the Rules. In addition, two hundred fifty-one (251) eligibility protests were received and decided. Finally, over seventy post-election protests have been filed. The Election Officer has actively

investigated the allegations raised in each protest, and issued, at this time, written determinations in nearly all of the pre- and post-election protests.

As the delegate and alternate delegate election process nears its completion, the number of incoming protests has decreased significantly. The Election Officer staff has, accordingly, shifted much of its focus towards planning for the IBT International Convention and the rank-and-file secret ballot election of International Union Officers, which will take place in December, 1991.

g. The Opinion of the United States Court of Appeals for the Second Circuit Regarding the Election Rules and the Election Officer's Staffing Requests

This appeal to the United States Court of Appeals for the Second Circuit arose from Judge Edelstein's July 10, 1990, ruling on my Application X (seeking approval of the final Election Rules promulgated pursuant to the Election Officer's authority under the Consent Order to "supervise" the 1991 election of IBT Officers), and his oral order respecting my Application XI (seeking approval of the Election Officer's request to hire Regional Coordinators and field staff to assist in supervising the Delegate and Officer elections). *See* September 1990, *The International Teamster*, pp. 19–26.

On appeal to the Second Circuit, the IBT argued that Judge Edelstein's Orders violated the terms of the Consent Order. Various affiliates, such as IBT Local Unions and Joint Councils, argued that, because they were never made parties to the underlying civil RICO action and did not agree to the entry of the Consent Order, they are not bound by its election provisions.

Specifically, the IBT contended that the Election Rules concerning the publication of campaign literature in the union magazine, the release of the union membership list to candidates, employer campaign contributions for legal and accounting services, and the definition of employers for the purpose of the general prohibition of employer campaign contributions are contrary to the terms of the Consent Order and violate federal law. Simply put, the affiliates' contentions, in effect, challenged the validity of the Consent Order's provisions for rank-and-file elections of Convention delegates and IBT officers. If they had succeeded, the democratic election process established by the Consent Order would have been destroyed.

Fortunately, the Second Circuit, in affirming Judge Edelstein's Orders, concluded that the IBT had adequately represented the interests of the IBT membership in agreeing to the election provisions of the Consent Order. With one narrow exception, the Second Circuit held that the Election Rules properly implemented the Consent Order. The one exception dealt with the provision allowing non-IBT members to aid candidates in obtaining accounting and legal services. The Second Circuit decided that "interested" employers, those employers who may one day face certain employees across a bargaining table, may not aid candidates in obtaining accounting and legal services. Finally, the Second Circuit held that the Election Officer's staffing requests were reasonable and proper under the Consent Order.

3. DISCIPLINARY MATTERS

a. My Decision on the Disciplinary Charge Filed Against Alphonso Lyles

On or about September 4, 1990, I received a copy of the charge filed by the Investigations Officer against Alphonso Lyles, alleging that he had brought reproach upon the IBT on the basis of pleading guilty to five separate criminal offenses and being convicted of one offense. This charge was detailed in the October issue of *The International Teamster* magazine at pp. 24–25. A hearing on this charge was held before me on December 13, 1990.

In a Decision rendered on April 8, 1991, I concluded that the Investigations Officer failed to meet his burden of proving the charge against Mr. Lyles.

b. My Decision on the Disciplinary Charges Filed Against Andrew Reynolds

On or about Novmber 6, 1990, the Investigations Officer filed a charge against Andrew Reynolds, alleging that he brought reproach upon the IBT by "knowingly associating" with members of the Genovese Organized Crime Family of La Cosa Nostra; and by violating his oath of office and the AFL-CIO Code of Ethical Practices by taking the Fifth Amendment and refusing to answer questions when deposed in *United States v. Local 560, et al.*, 82 Civ. 689 (D.N.J.). *See* January 1991, *The International Teamster*, p. 26.

Despite numerous attempts by the Investigations Officer to contact Mr. Reynolds and inform him of the charges against him and his scheduled hearing, Mr. Reynolds chose to ignore the proceedings. Finding that Mr. Reynolds wilfully failed to appear at the hearing, in a Decision dated April 11, 1991, I indicated that I would accept and consider the evidence submitted against him by the Investigations Officer. In my Decision, I concluded that the Investigations Officer had proved the charges against Mr. Reynolds. Given that a primary goal of the Consent Order is to cleanse the IBT of its organized crime influence, I found that the only just penalty for Mr. Reynolds was permanent debarment from the IBT. Thus, Mr. Reynolds' IBT membership is revoked and he may never hold any IBT-affiliated Union position, nor may he draw any money or compensation therefrom, or from any other IBT-affiliated source.

In addition, sanctions were imposed impacting upon Mr. Reynolds' employee benefits, if any exist, including his health, welfare and pension benefits. I prohibited the IBT, and any affiliates, from making payment of union funds to support Mr. Reynolds' benefits. I noted that my ruling did not interfere with Mr. Reynolds' right to receive any benefits that may have already vested. In addition, I prohibited the IBT, or any affiliates, from making bonus or severance payments to Mr. Reynolds.

Given that Mr. Reynolds turned his back on the proceedings, I did not stay my Decision as I normally do. I did, however, consistent with my well-established practice,

submit my Decision to Judge Edelstein by way of Application XXVIII for review and approval.

c. The Opinion of Judge Edelstein Affirming My Decision Regarding Theodore R. Cozza

As explained in *The International Teamster* magazine (see February 1991, p. 29), I found that Theodore R. Cozza had "knowingly associated" with members of the Genovese Organized Crime Family of La Cosa Nostra. In a Memorandum and Order of May 9, 1991, Judge Edelstein affirmed my Decision regarding Mr. Cozza. A copy of Judge Edelstein's Opinion will appear in this issue of *The International Teamster*.

d. The New Charges

To date, the Investigations Officer, Mr. Carberry, has filed a total of 104 charges against IBT Union officials and Local Unions. A detailed account of the five recently filed charges appears below.

e. The Charges Against Michael J. Riley

Mr. Carberry has filed three charges against Michael J. Riley, IBT Vice-President and member of the International General Executive Board.

Mr. Riley is charged with:

CHARGE ONE

[A]cting in a manner to bring reproach upon the IBT while an International Vice President and member of its General Executive Board and violation [his] oath and [his] fiduciary duties as an officer of the IBT by deliberately failing to investigate and remedy corruption and breaches of fiduciary duty by International Representative Earl D. Bush, in violation of Article II, section 2(a) and Article XIX, section 6(b) (1) (2) and (3) of the IBT Constitution:

TO WIT, while an International Vice President [Mr. Riley] willfully disregarded [his] fiduciary duty to investigate and take appropriate remedial action with regard to the embezzlement of at least $16,200 in union funds by Earl D. Bush ("Bush") while he was an International Representative and an officer of IBT Local 399, Los Angeles, California. Instead, [Mr. Riley] took steps to prevent the discovery of Bush's corruption, and to ensure the continued employment of Bush as an International Representative, although [Mr. Riley] knew or would have known as the result of an exercise of [his] fiduciary duties that Bush had embezzled thousands of dollars from his local by claiming expenses from the local that already had been paid by the IBT, as well as other allegations of misappropriating Local 399's assets and money.

An investigation into the allegations against Bush would have revealed that, during the years 1987 and 1988, Bush regularly charged Local 399 for expenses that had already been paid by the IBT. During the period 1987 through 1988, Bush fraudulently took at least $16,200 from Local 399 in this manner.

CHARGE TWO

[Mr. Riley is] further charged with acting in a manner to bring reproach upon the IBT, violating [his] oath, embezzling assets and money of the IBT in violation of Article II, section 2(a) and Article XIX, section 6(b) (1) (2) and (3).

TO WIT, as President of Joint Council 42 [Mr. Riley is] provided by the Joint Council with an automobile for round-the-clock business and personal use. All maintenance, gas and other costs and expenses associated with the car are fully paid on [his] behalf by the Joint Council.

Since at least the time [Mr. Riley was] appointed an International Vice President in October 1985 [he has] taken from the IBT a car allowance of $300 per month. [He has] used no part of that specifically-designated IBT allowance to pay for or maintain an automobile; instead [Mr. Riley has] used it solely for [his] personal use. On or about January 10, 1986, after [his] appointment as an International Vice President, [Mr. Riley] caused the Joint Council Executive Board to pass a resolution purporting to "recognize[]" the allowance the IBT provided to [him] for an automobile as "accruing to President Riley in total," and purporting to allow [him] to keep the IBT-issued car allowance rather than turn it over to the Joint Council that paid for [his] car.

[Mr. Riley] never informed the IBT that the Joint Council [he] headed had already paid, and continues to pay, for the automobile expenses for which the IBT regularly has given [him] an allowance over and above [his] IBT salary. Nor [has Mr. Riley] told the IBT of [his] arrangement with Joint Council 42 that enabled [him] to convert this specifically-designated allowance to [his] personal use and benefit.

Since the passage of the Joint Council 42 resolution, [he has] claimed and received from the IBT approximately $18,000 in automobile allowances that [he has] converted to [his] personal use.

CHARGE THREE

[Mr. Riley is] further charged with acting in a manner to bring reproach upon the IBT, violating [his] oath, and violating the by-laws of Local 986, in violation of IBT Constitution Article II, section 2(a) and Article XIX, section 6(b)(1)(2) and (3):

TO WIT, between 1984 and 1989 [Mr. Riley], while Secretary-Treasurer of Local 986, and other members of the Local 986 Executive Board agreed to give as gifts to officers and employees of the Local seven union-owned automobiles, which automobiles the Local had purchased for a total of approximately $92,835.43.

During 1984, [Mr. Riley] and other members of the board gave to M.E. Anderson, then Local 986 president, an automobile purchased by the union in March 1984 for $13,917.63. Also during 1984, [he] and other members of the Board gave to Bertram J. Bergman, then Local 986 "coordinator" a car purchased by the union in April 1983 for $7,870.56.

In or around September 1987, [Mr. Riley] and other members of the board purchased with Local 986 funds a 1985 Lincoln Town Car from Joint Council 42 for $10,500. [He] gave this car to Vice President John Nash as a retirement gift.

On or about August 25, 1987, [Mr. Riley] and other members of the board caused to be sold to Michael Butorac, a Local 986 Business Agent, a 1986 Ford LTD that had been purchased by the Local in February 1986 for $16,278.45. At the time of this sale, the book value of the car was at least $8,000. [Mr. Riley] sold the car to Butorac for only $3,000 and forgave the $5,000 difference as a gift to Butorac.

During 1989, [Mr. Riley] and other members of the executive board gave as retirement gifts to (i) Lonnie Smith, a Local 986 Business Agent, a 1987 Ford Van the Local had purchased in August 1987 for a total price of $17,008.07; (ii) Edmundo Peralta, a Local 986 Business Agent, a 1986 Ford Aerostar the Local had purchased in May 1986 for $15,371.51; and (iii) Robert A. Garcia, a Local 986 Business Agent a 1985 Ford Van the Local had purchased in May 1985 for $11,889.21.

These gifts of union-owned automobiles all were in violation of the Local 986 By-laws, section 15(C). That section mandates title to automobiles purchased by the union shall remain with the Local union. These transfers of cars purchased with over $92,000 in union funds served no legitimate interests of the members and were solely for the personal benefits of the officers and business agents to whom they were given.

A date has been set to hear these charges.

ii. The Charges Against the Officers of IBT Local 100

Mr. Carberry has filed charges against the following three officers of Local 100 in Evendale, Ohio:

1. Michael H. Dickens—President
2. Jack Weber—Secretary Treasurer
3. Duane Wilson—Business Agent

Messrs. Dickens and Weber are charged with:

Acting in a manner to bring reproach upon the IBT, breaching [their] fiduciary duties to the members of Local 100, violating its bylaws and embezzling from Local 100 while member[s] of its executive board in violation of Article II, Section 2(a) and Article XIX, Section 6(b)(1), (2) by fraudulently appropriating and converting to the[ir] use and others at least $5,625 of Local 100's money.

TO WIT, contrary to the provision of Section 16(a) of Local 100's Bylaws, which section reserves to the Local Union Executive Board the authorization, among other things, to make expenditures and contributions, [they] caused Local 100 to contribute and expend in excess of $5,000 in fees and expenses for a golf outing held in Florida, on or about October 10 to October 14, 1990, without Executive Board approval. In addition [they] caused Local 100 to spend in excess of $625 for a testimonial affair held in Chicago, Illinois, for Jack Yager in December 1990 when, after discussion by Local 100's Executive Board, that contribution had not been approved.

Mr. Wilson is charged with:

Violating Article II, Section 2(a) and Article XIX, Section 6(b)(2), of the International Brotherhood of Teamsters Constitution by conducting [him]self in a manner to bring reproach upon the IBT; and

Violating Article XIX, Section 6(b)(6) of the IBT Constitution; TO WIT, on March 20, 1991, on the premises of Local 100 [he] assaulted an officer of the Local.

A date has been set to hear these charges.

iii. The Charge Against William Cherilla

The Investigations Officer has charged William Cherilla, Secretary-Treasurer of Local 249 in Pittsburgh, Pennsylvania, with:

Violating Article II, Section 2(a) and Article XIX, Section 6(b)(2) of the International Brotherhood of Teamsters Constitution by conducting [him]self in a manner to bring reproach upon the IBT; and violating Article XIX, Section 6(b)(2) of the IBT Constitution; TO WIT, on September 10, 1990 in the offices of Local 249 [he] assaulted an officer of the Local.

A date has been set to hear these charges.

4. APPOINTMENT REVIEW

My review of appointments proposed by General President McCarthy continues. To date, he has placed thirty-four appointments before me for review. I have decided not to veto twenty-seven appointments, six have been withdrawn by Mr. McCarthy and, as discussed in my previous two Reports to you (*see The International Teamster*, January 1991, pp. 20-23, and February 1991, p.17), I vetoed the appointments of Jack Yager to the positions of International Vice President and Director of the Central Conference.

In my last Report, I informed you that I had decided

not to exercise my veto authority regarding the appointments of Messrs. Griswold and Hickman to the position of International Representative. Further, I informed you that I had placed my review of Mr. Darrow's proposed appointment to the position of International Vice President on hold subject to the outcome of a disciplinary charge recently filed against him by the Investigations Officer. Subsequent to my Report to you, on April 5, 1991, Mr. McCarthy withdrew Mr. Darrow's proposed appointment.

The following two appointments have been placed before me for review since my last Report:

1. Marvin L. Griswold — Director of the Airline Division
2. Joseph Padellaro — Director, Bakery Conference of United States and Canada
3. ...ald Sawochka — International Vice-President
4. John Chambers — Housing Coordinator

I have informed Mr. Grady by letters of April 22, 1991, and May 6, 1991, respectively, that I saw no basis to veto Messrs. Griswold's and Padellaro's appointments. Lastly, my review of Messrs. Sawochka's and Chamber's appointments continues.

a. Judge Edelstein's Affirmance of My Decision to Veto the Appointments of Jack B. Yager

In a November 1990 decision, I vetoed the appointments of Mr. Jack B. Yager to the positions of International Vice President and Director of the Central Conference of Teamsters. *See* January 1991, *The International Teamster*, pp. 20–23. In that decision, I determined that appointing Mr. Yager to the above positions would further an act of racketeering activity and contribute to the association between the IBT and/or any of its members with La Cosa Nostra.

On November 28, 1990, I submitted Application XV to Judge Edelstein for approval. In an Opinion and Order of April 18, 1991, Judge Edelstein affirmed Application XV in all respects and dismissed, as meritless, the challenges to my veto. Judge Edelstein's Opinion appears elsewhere in this issue.

Also regarding Mr. Yager, I wrote to IBT General Counsel James T. Grady on April 23, 1991, and informed him that, pursuant to my authority to review IBT expenditures, and utilizing the same reasoning as in my November 28, 1991, Decision vetoing Mr. Yager's appointments, I would now veto any further salary disbursement to Mr. Yager as International Representative. In addition, I informed the IBT that Mr. Yager's IBT air travel credit card privileges must also be revoked.

5. THE ELECTION APPEAL PROCESS

a. Election Appeal Decisions

Along with my designee hearing officer, Stuart Alderoty, I have now heard and decided over 140 appeals from determinations of the Election Officer on election protests. As I informed you in my last Report, I have begun to issue decisions concerning not only pre election protests but also post election protests. *See* May 1991, *The International Teamster*, p. 32.

b. Judge Edelstein's Affirmation of the Independent Administrator's Election Appeal Decision Regarding Yellow Freight Systems, Inc.

On January 2, 1991, I issued my decision in *In Re: McGinnis*, 91- Elec. App.--43. That case involved alleged violations of the rights of members not employed by Yellow Freight to engage in campaign activity on Yellow Freight's property. For a discussion of the procedural history of the case and a summary of my decision, *see* March 1991, *The International Teamster*, pp. 13–14.

In that decision, I rejected Yellow Freight's arguments that it was not bound by the determination of the Election Officer and would not be bound by my decision. I also rejected Yellow Freight's argument that any determinations on the issues involved fall under the exclusive jurisdiction of the National Labor Relations Board. Lastly, I concluded that the decisions of the Election Officer had sufficient basis in fact, and I affirmed those decisions.

Yellow Freight appealed my decision to Judge Edelstein. In an April 3, 1991, Opinion, Judge Edelstein affirmed my Decision and indicated that all Yellow Freight's arguments were meritless. The full text of Judge Edelstein's Decision appears elsewhere in this magazine. Yellow Freight has appealed Judge Edelstein's ruling to the United States Court of Appeals for the Second Circuit.

6. JUDGE EDELSTEIN'S MAY 1, 1991, ORDER RE: HIS FUTURE PRACTICE CONCERNING AGREEMENTS RESOLVING DISCIPLINARY CHARGES AND LOCAL 493's CONTEMPT PROCEEDINGS

On May 1, 1991, the Government brought a motion for an Order to Show Cause asking that the Officers of Local 493 in Uncasville, Connecticut, be held in contempt of Court for violating an Agreement that they had reached with the Investigations Officer in resolution of disciplinary charges that had been filed against them. *See* January 1991, *The International Teamster* at pp. 26–27.

While hearing argument on the Government's motion, Judge Edelstein issued an Order designed to prevent this type of contumacious conduct in the future. That Order is printed in full elsewhere in this magazine.

In addition, Judge Edelstein scheduled a hearing on the contempt motion for May 2, 1991. Local 493 settled matters with the Government prior to that hearing. The terms of that settlement are summarized as follows:

1. Local 493's Executive Board will immediately pass a resolution limiting its right to receive severance payment. Pursuant to that resolution, no member of the Executive Board can ever receive severance pay in an amount greater than five weeks's pay.

2. The members of Local 493 will vote, by supervised secret ballot (conducted by mail) on an amendment to the Local's Bylaws which will seek to incorporate the same limits on the payment of severance pay to future Executive Board members.

3. Before the ballots are mailed, the Executive Board shall mail to the membership a signed notice. That notice will guarantee the secrecy of the ballots. It will also acknowledge that the Executive Board members violated the terms of its agreement with the Investigations Officer.

4. The Executive Board shall also terminate its attorney, who apparently participated in, and supported, the Executive Board's contempt.

5. The Executive Board will certify that Phillip Guarnaccia has been terminated from any employment with Local 493. Guarnaccia, Local 493's former Secretary-Treasurer, pled guilty in 1987 to willfully failing to keep and maintain accurate and complete records in violation of federal law. Guarnaccia was sentenced and placed on probation for two years.

6. The Executive Board and the Local's attorney also agreed not to retaliate against the Local members who cooperated with the Government in the contempt proceedings.

7. The Executive Board members will pay into the Local's treasury, any money paid to its attorney in connection with this matter.

8. Lastly, the Executive Board members and its attorney will pay into the Local's treasury $12,500 in costs and expenses incurred by the Government in this matter.

7. THE WORK OF MY AUDIT/INVESTIGATIVE STAFF REGARDING THE JUNE 1991 CONVENTION WHICH RESULTED IN A $165,000 SAVINGS TO THE IBT

I am pleased to report that the unrelenting effort of my Audit/Investigative staff has, once again, resulted in an IBT expense reduction. At my direction, while closely monitoring the estimated costs with respect to the June 1991 Convention, John J. Cronin, my Audit/Investigator, with the help of his assistant, John Converse, has uncovered two examples of excessive spending relative to the Convention.

First, by establishing better communications between the IBT and the Kamber Group, the IBT's Convention coordinator, a number of design and printing costs were scaled back. The opening of this more efficient line of communication has resulted in an estimated savings to the IBT in the amount of approximately $60,000.

The second expense reduction resulted from reducing the costs of the exhibit booths to be used at the Convention from approximately $10,000 per booth, to less than $4,000 per booth. The initial cost estimate which contemplated the use of top of the-line exhibit booths was over $204,000. The revised cost estimate, using the pre fabricated booths similar to those used at the previous Convention, has resulted in a savings of over $105,000.

The total savings to the IBT regarding the 1991 IBT Convention as a result of these two inquiries of Mr. Cronin is estimated at over $165,000. It is clear that Mr. Cronin's involvement in auditing the on-going Convention expenses has, consistent with his work in other areas in the past, resulted in a significant savings to the IBT.

II
CONCLUSION

Once again, on behalf of my fellow Court-appointed Officers I thank you, the IBT membership, for your support. I also must commend you, the rank-and-file, for your participation during the delegate election process.

This report, my twenty-fourth, comes on the eve of the all-important June 1991 IBT Convention. I, along with my staff, will be present during the Convention. The Election Officer and his full staff will also be there. I can assure you that the Court-appointed Officers, with the full support of Judge Edelstein, are going to do everything in our power to ensure that this phase of the election process, as we have with all other phases, is fair, open and honest.

As always, any communications may be addressed to any of the following:

Frederick B. Lacey, Independent Administrator
LeBoeuf, Lamb, Leiby & MacRae
Gateway Center I, Suite 603
Newark, NJ 07102

Charles M. Carberry, Investigations Officer
Jones, Day, Reavis & Pogue
599 Lexington Avenue
New York, NY 10022

Michael H. Holland
Office of the Election Officer for the
International Brotherhood of Teamsters
25 Louisiana Avenue N.W.
Washington, D.C. 20001

Communications to the Court may be sent to:

Honorable David N. Edelstein
United States District Judge
Southern District of New York
United States Courthouse
Foley Square
New York, NY 10007

Court Orders of Judge Edelstein

United States District Court
Southern District of New York

MEMORANDUM & ORDER
88 CIV. 4486 (DNE) X

United States of America,
Plaintiff,

-v-

International Brotherhood of
Teamsters, Chauffeurs,
Warehousemen and Helpers of
America, AFL-CIO, et al.,
Defendants.

X

In Re: Petition for Review of
Decision 91-Elec. App.-43 of
The Independent Administrator X

APPEARANCES: OTTO G. OBERMAIER, United States Attorney for the Southern District of New York, (Edward T. Ferguson, III, Assistant United States Attorney, of counsel) for the Government:

FREDERICK B. LACEY, Independent Administrator of the International Brotherhood of Teamsters, (Stuart Alderoty, of counsel):

MICHAEL HOLLAND, Election Officer of the International Brotherhood of Teamsters, (Barbara Hillman, of counsel):

MATKOV, SALZMAN, MADOFF & GUNN, Chicago Illinois, (Larry G. Hall, Kirk D. Mesmer, of counsel) for Yellow Freight.

EDELSTEIN, District Judge:

This decision arises from the implementation of the rules for the IBT International Union Delegate and Officer Election promulgated by the Election Officer (the "election rules") and approved by this Court by Opinion & Order dated July 10, 1991, 742 F. Supp. 94 (S.D.N.Y. 1990). These election rules provide a "framework for the first fully democratic, secret ballot election in the history" of the IBT. *Id.* at 97.

Petitioner Yellow Freight Systems, Inc., ("Yellow Freight"), a trucking company that employs IBT members, appeals decision 91-Elec. App.-43 of the Independent Administrator, which consolidated and affirmed the Election Officer's decisions P-021-LU710-CHI, P-023-LU710-CHI, and P-165-LU299-MGN. Yellow Freight petitions this Court to issue injunctive and declaratory relief that would overturn the findings of the Independent Administrator and declare: (i) that the Court Officers had jurisdiction to enforce the election rules with respect to Yellow Freight; (ii) that the decisions of the Court Officers must be pre-empted by the National Labor Relations Board; and (iii) that the decision of the Independent Administrator was not supported by substantial evidence and should be overturned.

As previously ruled at the hearing March 4, 1991, Yellow Freight's petition is denied in all respects. (Transcript, March 4, 1991 hearing, at 33-34). This memorandum supplements supplements those earlier rulings made on this matter.

I. Background and Procedural History

This dispute arose over the efforts of certain candidates running for office in IBT locals that sought access to Yellow Freight terminals in Chicago Ridge, Illinois, and 7701 West Jefferson Avenue, Detroit, Michigan. The incidents involved IBT candidates alleging that Yellow Freight had violated Article VIII, §10 of the election rules, by not permitting IBT candidates access to Yellow Freight's property for the limited purpose of campaigning among the employees at each sight. Those candidates filed election protests to the Election Officer.

With respect to the Chicago Ridge terminal matter, election protests P-021-LU710-CHI, and P-023-LU710-CHI, the Election Officer determined that the complainants did not have any reasonable alternative means of communicating with the members at that facility off of company property. With respect to the Detroit, Michigan, protest, P-165-LU299-MGN, the Election Officer ruled that the complainant had an alternative reasonable means of communicating with the members off company property, and found that Yellow Freight did not violate the election rules or the Consent Decree.

Yellow Freight appealed both decisions to the Independent Administrator. In his decision 91-Elec. App.-43, the Independent Administrator (i) rejected Yellow Freight's argument that it was not bound by the determinations of the Election Officer or the Independent Administrator; (ii) rejected Yellow Freight's arguments that any determinations on the instant issues fall under the exclusive jurisdiction of the National Labor Relations Board; and (iii) concluded that the decisions of the Election Officer had sufficient basis in fact, and affirmed those decisions. This appeal followed.

II. Discussion

In appealing the decision of the Independent Administrator, Yellow Freight bears the burden of demonstrating that those findings were "arbitrary or capricious." Paragraph K.16 of the Consent Decree provides that this Court shall review actions of the Independent Administrator using the "same standard of review applicable to review of final federal agency action under the Administrative Procedures Act." Consent Decree at 25. This Court may only overturn the findings of the Independent Administrator when it finds that they are, on the basis of all the evidence, "arbitrary or capricious." This Court and the Court of Appeals have interpreted ¶K.16 to mean that decisions of the Independent Administrator "are entitled to great deference." 905 F.2d at 616 (2d Cir. 1990) *aff'g* March 13, 1990 Opinion and Order, 743 F. Supp. 155 (S.D.N.Y. 1990).

Yellow Freight essentially repeats before this Court the same three arguments that were unsuccessful before the Independent Administrator. First, they argue that they cannot be "bound" by the election rules. Second, they argue that the hearings before the Election Officer and Independent Administrator is pre-empted by the National Labor Relations Act. Third, Yellow Freight argues that the substantive decision of the Independent Administrator regarding the Chicago Heights facility was arbitrary and capricious. All of these arguments are without merit.

Yellow Freight first argues that they cannot be affected by the election mechanism set up under the Consent Decree by the Supreme Court decision in *Martin v. Wilks*, U.S. ____, 109 S.Ct. 2180, 2184 (1989), since by that decision non-parties to a Consent Decree cannot be bound by its terms.

Yellow Freight's particular contention before this Court is that as an employer not in any way affiliated with the IBT, it cannot be bound by the Consent Decree. Yellow Freight's argument concerning the *Martin* case fundamentally mischaracterizes that decision, which is not applicable to this case. *Martin v. Wilks* concerns allowing those affected by a consent decree designed to remedy discriminatory hiring practices but who were not parties to the original suit to challenge actions made pursuant to that decree. The Second Circuit has specifically declined to apply *Martin v. Wilks* in the context of this ongoing case. *United States v. International Brotherhood of Teamsters*, 905 F.2d 610, 622 (2d Cir. 1990). In this circuit and others, courts have "decline[d] to extend *Wilks* beyond its facts." *United States et al., v. Yonkers Board of Education, et al.*, 902 F.2d 213, 218 (2d Cir. 1990); *see West Texas Transmission L.P. v. Enron Corp.* 907 F2d 1554, 1568 (5th Cir. 1990); *E.E.O.C. v. Pan American World Airways*, 897 F.2d 1499, 1506 (9th Cir. 1990).

Even assuming that *Martin v. Wilks* is applicable, Yellow Freight's argument also mistakes the fundamental posture that they now occupy. By being "bound" by the Consent Decree, Yellow Freight must seek redress for their claims before the Court Officers that the actions of the IBT candidates violated their rights to keep a secure freightyard. Yellow Freight was given a full and complete opportunity to argue their claims before the Election Officer, the Independent Administrator, and this Court, in addition to any right of appeal they may have. By the application of this Consent Decree, Yellow Freight has not been denied any opportunity to litigate their claims. On the contrary, their claims are now being heard for the third time.

This Court has previously found jurisdiction over non-parties to the Consent Decree by the injunction entered under the All Writs Act, 28 U.S.C. §1651, 728 F. Supp. 1032 (S.D.N.Y. 1990) *aff'd* 907 F.2d 277 (2d Cir. 1990). In issuing that injunction, this Court ruled that all subordinate entities of the IBT must litigate their Consent Decree related claims in this Court as necessary "in aid of [this Court's] jurisdiction." *Id.* It is similarly necessary to apply that decision in this context, since employers such as Yellow Freight could frustrate the electoral provisions of the Consent Decree.

Why this is so is because the crux of this Consent Decree is for free, open and fair secret ballot elections. In order for those elections to be meaningful, the IBT rank and file must be given a fair choice of candidates. But the reality of such an election is that incumbents may often hold distinct advantages in name recognition, and access to members of a local. Employers may have developed comfortable relationships with incumbent IBT officers, and may not be anxious for new, and perhaps more assertive union representatives. As a result, jurisdiction over employers such as Yellow Freight may be necessary "in aid of this Court's jurisdictions."

As an additional matter, the grounds relied on by the Independent Administrator were sufficient to find that Yellow Freight was subject to the jurisdiction of the Court Officers. First, the Independent Administrator reasoned that employers such as Yellow Freight "have the power, if not restrained, to subvert the electoral process . . ." were they to bar IBT members from exercising their right to campaign on employers' premises. Decision of the Independent Administrator at 4-7. Second, the Independent Administrator found that non-employee IBT members have a limited "pre-existing right" of access to non-employer premises as guaranteed by the National Labor Relations Act, ("NLRA") 29 U.S.C. §158(a)(1), and its subsequent interpretations. *See, e.g., Lechmere v. National Labor Relations Board*, 914 F.2d 313 (1st Cir. 1990). The Independent Administrator properly applied the balancing test weighing the availability of alternative means of reaching the membership with the employer's property rights. *Id.* at 320.

Accordingly, Yellow Freight's arguments that they are not subject to the jurisdiction of the Court Officers is without merit and must be rejected.

Second, Yellow Freight contends that the Court Officers are pre-empted from adjudicating these claims because the subject matter in question—whether IBT candidates should be given a limited right of access to Yellow Freight's property for the purpose of campaigning—is solely under the jurisdiction of the National Labor Relations Board, ("NLRB"). Yellow Freight is in essence arguing that the Court Officers adjudicated a charge that Yellow Freight has violated the candidates Section 7 rights, 29 U.S.C. §157, guaranteed under Section 8, 29 U.S.C. §158(a)(1) of the NLRA, the exclusive jurisdiction over which is granted to the NLRB.

At the outset, Yellow Freight's preemption argument is without merit given this Court's All Writs Act decision of January 17, 1990, *supra*, where this Court issued an injunction requiring that all Consent Decree related litigation must take place before this Court. Any NLRB proceeding would be enjoined under that order.

Next, as the Independent Administrator correctly noted, the Supreme Court has held that certain federal claims that might otherwise be unfair labor practices under the NLRA, may nonetheless be litigated in federal court under the Labor-Management Reporting and Disclosure Act ("LMRDA"). *See, e.g., Breininger v. Sheet Metal Workers International Association Local Union 6*, ___ U.S. ___, 110S.Ct. 424, 429-31 (1989); *Smith v. Evening News Association*, 371 U.S. 195 (1962). The Consent Decree was entered pursuant to the Civil RICO statute, 18 U.S.C. §1964, and is the underlying legal basis for the election rules. RICO provides a sufficient basis to litigate Yellow Freight's claims before this Court, and not the NLRB.

Third, Yellow Freight challenges whether the facts supporting the Independent Administrator's decisions affirming the Election Officer are sufficient to support his findings. The record indicates that the Independent Administrator's decisions were neither arbitrary nor capricious.

In reaching his decision, the Independent Administrator applied the balancing test to determine the IBT candidates' pre-existing rights to campaign on employers' property. *Lechmere v. National Labor Relations Board, supra*. The Independent Administrator reviewed the strength of the IBT members' right to engage in campaign activity, the strength of Yellow Freight's property right, and the availability of a reasonable alternative means of communicating with the IBT members employed at each site.

With respect to the Chicago Ridge, facility, the Independent Administrator found that (i) both IBT members were candidates for delegate, (ii) they were campaigning in a Yellow Freight-owned, unfenced parking lot, (iii) they had no alternative means to effectively communicate with the IBT members employed at that facility, and concluded (iv) that they must be given a limited right of access to Yellow Freight's property. With respect to the Detroit facility, the Independent Administrator found that the IBT candidate had a reasonable alternative means of communicating with IBT members employed at that site, and allowed no right of access to Yellow Freight's facility.

The Independent Administrator properly applied this balancing test in both instances, and his conclusions were neither arbitrary nor capricious. Accordingly, the substantive determinations of the Independent Administrator should be affirmed in all respects.

III. Conclusion

For the reasons stated above, the determinations of the Independent Administrator are affirmed in all respects. Yellow Freight's application for injunctive and declaratory relief is denied without separate analysis, since this memorandum has already considered and rejected the merits of that application.

So Ordered.

Dated: April 3, 1991
New York, New York

/s/ [signature]
U.S.D.J.

United States District Court
Southern District of New York

OPINION & ORDER
88 CIV. 4486 (DNE) X

United States of America,
Plaintiff,

-v-

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO, et al.,
Defendants. X

In Re: Application XV of the Independent Administrator X

APPEARANCES: OTTO G. OBERMAIER, United States Attorney for the Southern District of New York, (Peter C. Sprung, Edward T. Ferguson, III, Assistant United States Attorneys, of counsel) for the United States of America;

WILLIAMS & CONNOLLY, Washington, D.C. (Brendan V. Sullivan, Jr., and Howard W. Gutman, of counsel) for the International Brotherhood of Teamsters.

Court Orders *(continued)*

EDELSTEIN, District Judge:

This opinion emanates from the voluntary settlement in the action commenced by the plaintiffs United States of America (the "Government") against the defendants International Brotherhood of Teamsters (the "IBT") and the IBT's General Executive Board (the "GEB") embodied in the voluntary consent order entered March 14, 1989 (the "Consent Decree"). The Consent Decree provided for three Court-appointed officials, the Independent Administrator to oversee the remedial provisions, an Investigations Officer to bring charges against corrupt IBT members, and an Election Officer to oversee the electoral process leading up to and including the 1991 election for International Officers (collectively, the "Court Officers"). The goal of the Consent Decree is to rid the IBT of the hideous influence of organized crime through the election and prosecution provisions.

The instant matter, Application XV of the Independent Administrator, presents for this Court's review the Independent Administrator's letter-decision (the "veto decision," annexed hereto as the Appendix) vetoing the appointment of IBT member Jack B. Yager to the GEB as an International Vice president, and as director of the 700,000 member Central Conference of Teamsters (the "appointments"). The Independent Administrator determined that appointing Yager to these positions would (i) further an act of racketeering activity within the definition of Title 18 U.S.C. §1961, and (ii) contribute directly or indirectly to the association of the IBT or any of its members with La Cosa Nostra. As a result, the Independent Administrator exercised his power to veto such appointments pursuant to his authority at ¶F.12.(B)(iii) of the Consent Decree.

Because the Independent Administrator's decision to veto the Yager appointment is not arbitrary or capricious and fully supported by the evidence, the veto decision is hereby affirmed in all respects.

I. The Independent Administrator's Findings

The Independent Administrator considered an exhaustive factual record in making his determination to veto the appointments of Yager. In his decision, the Independent Administrator considered (i) the deposition testimony of Yager; (ii) the deposition testimony of 15 members of the GEB, including General-President McCarthy; (iii) an investigator's report on Yager; (iv) the declaration of FBI Special Agent Peter J. Wacks, which included extensive information compiled by the FBI regarding the IBT and La Cosa Nostra; (v) extensive information relating to former IBT General President and convicted felon Roy L. Williams, including discovery from this case; and (vi) certain other materials from discovery from the instant case taken before the signing of the Consent Decree.[1]

In vetoing the appointments of Yager, the Independent Administrator relied on two separate grounds under ¶F.12.(B)(iii) of the Consent Decree, set out below.[2] First, he determined that the appointment of Yager would further an act of racketeering—the aiding and abetting of the extortion of the IBT members rights to union democracy. The Independent Administrator found that former IBT General President Roy L. Williams had extorted IBT members rights to a democratic union, and that as Williams' close confidant and assistant, Yager had aided and abetted Williams in that extortion. Second, he found that the appointment would directly and indirectly further and contribute to the association of the La Cosa Nostra with the IBT.

A. The Act of Racketeering

The IBT concedes that the Independent Administrator conducted "a massive factual investigation" (Br. at 12) and does not challenge any aspect of the facts supporting this determination. Yager had been an IBT officer for many years. Since 1981, he served as a member of the Policy Committee of the Central Conference of Teamsters, and as Administrative Assistant to Roy Williams. Prior to 1981, Yager had served as a business agent for IBT local 41, and as an organizer for the Central Conference of Teamsters, Freight Chairman, and Freight Division director.

The Independent Administrator found numerous facts concerning Roy L. Williams' ties to organized crime, notably Kansas City La Cosa Nostra boss Nick Civella, Williams' approval of the Central States Pension Fund loans to organized crime controlled entities, and Williams' conviction for conspiring to bribe former United States Senator Howard Cannon at the expense of the Central States Pension Fund. These facts, the Independent Administrator concluded, provided reasonable belief that Williams had committed the act of racketeering of extorting the IBT rank and file's rights under the Labor-Management Reporting and Disclosure Act ("LMRDA"), 29 U.S.C. §411, in violation of the Hobbs Act, 18 U.S.C. §1951.

In the context of this case, it has previously been found that extortion of rights by IBT officials may constitute a violation of the Hobbs Act. March 6, 1989 Opinion &

[1] The full list of all of the factual submissions that formed part of the record of this matter are listed in the Independent Administrator's veto decision and are filed with the Court as part of the public record.

[2] That paragraph reads as follows:
The Independent Administrator shall have the authority to veto whenever the Administrator reasonably believes that any of the actions or proposed actions . constitutes or furthers an act of racketeering activity with in the definition of Title 18, U.S.C. §1961, or furthers or contributes to the association, directly or indirectly, of the IBT or any of its members with the [La Cosa Nostra] or elements thereof:

* * *

(iii) any appointment or proposed appointments to International Union office or any officer, agent, representative or employee of the IBT.

Order, 708 F. Supp. 1388, 1397-1401 (S.D.N.Y. 1989); *see United States v. Local 560, International Brotherhood of Teamsters*, 780 F.2d 27, 281-82 (3d Cir. 1985), and that aiding and abetting that extortion may constitute an act of racketeering. March 6, 1989 Opinion & Order, *supra*, 708 F. Supp. at 1399.

More importantly, the Independent Administrator found that Yager aided and abetted this extortion, through action, and inaction. The Independent Administrator specifically found that Yager developed a special relationship with Roy Williams, since Yager "rose through the ranks [of the IBT] on Williams' coattails." Once in a position of fiduciary responsibility to the IBT membership, Yager took no action with respect to the undeniable fact that Williams was controlled by organized crime. At his deposition, Yager admitted that he was aware of the charges that Roy Williams was controlled by the Kansas City La Cosa Nostra. The extent of Yager's breach of his responsibility to the membership is reflected by his voting to re-elect Williams as chairman of the Central Conference of Teamsters Policy Committee *after* Williams had both been convicted of conspiring to bribe United States Senator Cannon, and cited by the Senate for his ties to organized crime, and after Yager himself had concluded that Williams was unfit to lead that segment of the IBT.

The Independent Administrator stated that Yager's failure to act under those circumstances "amount[ed] to an egregious breach of his responsibility as an officer of the IBT." The Independent Administrator concluded that "rewarding Mr. Yager with appointments to the powerful General Executive Board and as the Director of the Central Conference of Teamsters would only serve to further the very extortion of the members' rights which was initiated by Mr. Williams and fostered by Yager's silence and incomprehensible passivity." (Veto-decision at 30).

The Independent Administrator further found that the appointment of Yager would have an extortionate effect on the members' rights by the failure of the IBT General President and GEB to conduct any inquiry into Yager's fitness for these offices. The Independent Administrator concluded that the absence of such an inquiry would send a message that "the General President and General Executive Board [were] simply not concerned with ridding the IBT of the type of corruption that was epitomized by Williams himself." (Veto-decision at 35).

B. Contributing to the Association of La Cosa Nostra

The Independent Administrator found as an independent ground for vetoing the Yager appointment that it would contribute to the association between the IBT and La Cosa Nostra. The Independent Administrator noted that the IBT is susceptible to infiltration by La Cosa Nostra as demonstrated in the extensive materials that form the record. The facts show that Yager was seen with members of La Cosa Nostra, including Civella, and members of the Chicago La Cosa Nostra. Further, the evidence indicates that Yager could not have been so closely affiliated with Williams without Yager having received La Cosa Nostra approval. At the very least, Yager, having longstanding knowledge of this infiltration, took no steps to impede it. (Veto-decision at 36-37).

II. Standard of Review

The IBT argues that this Court may only affirm the decision of the Independent Administrator if it is supported by "substantial evidence." But this argument mistakes the well-settled standard of review that this Court and the Court of Appeals have given to determinations of the Independent Administrator.

Paragraph K.16 of the Consent Decree provides that this Court shall review the actions of the Independent Administrator using the "same standard applicable to review of final federal agency action under the Administrative Procedures Act." Consent Decree at 25. It is beyond dispute that under the Consent Decree, the decisions of the Independent Administrator are "entitled to great deference." *United States v. International Brotherhood of Teamsters*, 905 F.2d 610, 616 (2d Cir. 1990), *aff'g* March 13, 1990 Opinion & Order, 743 F. Supp. 155 (S.D.N.Y. 1990).

In their submission, the IBT argues that the evidence relied upon by the Independent Administrator amounts to "guilt by association" and would be insufficient to find that Yager criminally aided and abetted the violation of any law. But whether Yager could be convicted of a crime is not relevant. The authority and findings that must be made by the Independent Administrator in this matter are determined by the Consent Decree, which specifically enumerated the two grounds upon which the Independent Administrator can veto an appointment, and what standard that veto must meet. Consent Decree at F.12.(B)(iii). The Independent Administrator must only "reasonably believe" that an appointment would further an act of racketeering or contribute to the association of the IBT with organized crime. *Id.* Further, that finding is then given the deference this Court and the Court of Appeals must give determinations of the Independent Administrator.

This argument of the IBT is especially disingenuous considering the extensive allegations of La Cosa Nostra infiltration into the officers the IBT that began this entire litigation. The explicit and uncontroverted purpose of this Consent Decree is to rid the IBT of the hideous influence of organized crime, and the Independent Administrator's authority to act in that regard is clearly set out in the Consent Decree.

Accordingly, the findings of the Independent Administrator in his veto decision will be reviewed, as always, under the standard set out by the parties in the Consent Decree.

III. The IBT's Challenges

The IBT challenges the veto decision of the Independent Administrator on the grounds that the facts demonstrate that Yager acted honestly and ethically throughout his career, and that the evidence does not establish that Yager either (i) committed the act of racketeering, or (ii)

contributed to the IBT's association with organized crime. These challenges are without merit, and must be dismissed.

A. Yager Aided and Abetted an Act of Racketeering

The IBT argues that the Independent Administrator erred by finding that Yager committed an act of racketeering by aiding and abetting Roy Williams' extortion of IBT members rights to a democratic union. The IBT contends that Yager's inaction rather than action cannot constitute aiding and abetting. This argument is contrary to the established law.

As this Court has already held in the context of this case, the IBT rank and file's rights under the LMRDA, 29 U.S.C. §411(a), are extortable property under the Hobbs Act, and the extortion of those rights may constitute an act of racketeering under the RICO statute, 18 U.S.C. §1961(1). March 6, 1989 Opinion & Order, *supra*, 708 F. Supp. at 1399; *see also United States v. Local 560, supra*, 780 F.2d at 281-82.

This Court also directly held that failure by officers of the IBT to redress wrongdoing within the IBT could support liability for aiding and abetting the extortion of the IBT members' rights.

> "Each defendant officer is a fiduciary with respect to the union members. They have a duty to disclose and remedy wrongdoing by the IBT. . . [Such action may mean the GEB] aided and abetted other by failing to act when they had such a duty."

March 6, 1989 Opinion & Order, *supra*, 708 F. Supp. at 1401. As a result, when a union fiduciary such as Yager fails to act to remedy wrongdoing within the union, that constitutes aiding and abetting the extortion of IBT members' rights to democracy and free speech. Importantly, this Court has also noted that in the context of this case, the inaction of an IBT officer to redress corruption could only be through "conscious avoidance" given the scope of that corruption. *Id.* The Third Circuit has also held that the failure of an IBT officer to act when he had an affirmative duty to do so constituted aiding and abetting the extortion of the IBT members' rights. *United States v. Local 560, supra*, 780 F.2d at 284.

Further, aiding and abetting the extortion of members' rights to union democracy through failure to take action in the face of corruption is an act of racketeering, and thus formed part of the parties' background understanding as to what acts of racketeering would subject IBT appointments to veto pursuant to ¶F.12.(B).(iii) of the Consent Decree. Indeed, the Court of Appeals has explicitly stated that "we deem the Consent Decree to incorporate prevailing legal standards," *United States v. International Brotherhood of Teamsters*, Slip Opinion at 29, (2d Cir. April 12, 1991), and there can be no doubt that aiding and abetting the extortion of members' rights formed part of the background to this very case. Union officers owe an enhanced duty of care to their membership. *Id.* The IBT's argument that inaction in the face of union corruption could not constitute aiding and abetting is without merit.

Accordingly, the Independent Administrator's determination that aiding and abetting the extortion of the IBT members' rights to union democracy is an act of racketeering is reasonable and not arbitrary or capricious.

The IBT further argues that the evidence is insufficient to find that Yager aided and abetted Roy Williams in extorting the IBT rank and file's rights to a democratic union. This argument is also without merit. The IBT does not dispute the corruption of Roy Williams, rather, it claims that Yager is the victim of "1950's vintage" guilt by association. Indeed, the IBT does not dispute any of the evidence relied upon by the Independent Administrator. Rather, they argue that Yager was low-level IBT official who was in no position to take any affirmative action with respect to the corruption he saw around him.

But this argument misses the fundamental point that as an IBT officer, Yager owed the membership the utmost duty to stop corrupt elements from extorting the memberships' rights. In 1983, Yager voted to re-elect Williams, a convicted felon with known and undisputed mob ties, to the chair of the Central Conference of Teamsters Policy Committee when Yager had determined that Williams was not fit for that office. Further, when himself a member of the Central Conference Policy Committee, Yager voted to expend IBT funds for Williams' defense in the Cannon bribery prosecution. Such action is improper "prior to a full determination on the merits." *Morrissey v. Segal*, 526 F.2d 121, 127 (2d Cir. 1975). Yager co-chaired Williams' legal defense fund and solicited contributions for those fees.

Finally, the report by FBI Special Agent Wacks stated that Yager had associated with known organized crime figures, including Chicago La Cosa Nostra members Alan Dorfman, James Cozzo, and associates Amos Massa and Thomas O'Malley, Kansas City La Cosa Nostra members Paul Varsolona, Nick Civella, Carl Civella, Phil Simone, Sam Ancona, and Frank Todaro, and Detroit La Cosa Nostra member Anthony LaPiana. The open association of IBT leaders with figures involved with La Cosa Nostra results in the membership "surrender[ing] their right to democratic participation in the affairs of the union." *United States v. Local 560, supra*, 780 F.2d at 286.

Accordingly, considering all of the evidence relied upon by the Independent Administrator, his findings are sufficient to "reasonably believe" that the appointments of Yager would further the act of racketeering of aiding and abetting the extortion of the IBT members' rights to union democracy. At the very least, Yager's record of association with known organized crime figures would satisfy the second criteria relied upon by the Independent Administrator, that the appointment of Yager would directly or indirectly further the association of La Cosa Nostra with the IBT.

Further, the Independent Administrator's finding that the IBT's failure to conduct any background check on Yager before General-President McCarthy submitted Yager's name for approval by the GEB constitutes additional

-ounds for his veto is also supported by the evidence. he facts demonstrate that the General President McCarthy -d the GEB failed to make in inquiry into Yager's fitness - office. General President ("G-P") McCarthy admitted - at his deposition.

JDGE LACEY: Did you, yourself, conduct any interview of Mr. Yager before putting his name before the board?

G-P MCCARTHY: No, but I knew he was a good man and especially since the executive board voted unanimously and all hugged him and kissed him and so forth after it was over, I then knew definitely he was a good man.

JUDGE LACEY: . . .[D]id you conduct any investigation of any kind into Mr. Yager's background before he was named?

G-P MCCARTHY: I said no.

(Deposition of William McCarthy, October 23, 1990, at 17–18).

The explicit purpose, spirit and intent of the Consent Decree is to rid the IBT of the hideous influence of organized crime. Considering the serious questions about the fitness of Mr. Yager for office raised by his association with Roy Williams, which association was known to General President McCarthy and the members of the GEB, this failure to conduct any background investigation into Yager is egregious.

As a result, the IBT's challenges to the Independent Administrator's determination that the Yager appointments would further the act of racketeering are without merit and denied.

B. Furthering the Direct or Indirect Association with La Cosa Nostra

The Independent Administrator determined as a full independent ground for his veto that the Yager appointments would further the direct or indirect association of the IBT with La Cosa Nostra. The extensive evidence linking Yager with organized crime associates demonstrates that this determination was neither arbitrary nor capricious.

The evidence relied upon by the Independent Administrator focused on the history of La Cosa Nostra influence on the IBT, particularly on the Central States Pension Fund, of which Yager was an officer. La Cosa Nostra engaged in a scheme to bribe former United States Senator Cannon by selling Pension Fund real estate to an investor group headed by Cannon at below market rates. The Independent Administrator concluded that such actions show how vulnerable the IBT is to the influence of La Cosa Nostra. The Independent Administrator found that Yager, having knowledge of this influence, did nothing to "prevent or impede it." As a result, the Independent Administrator concluded that the appointment of Yager would (i) signal that the IBT was still open to La Cosa Nostra infiltration by appointing the former protegee of Williams to the GEB, and (ii) send the message to the membership that the leadership has no intention to rid itself of the type of corruption typified by Roy Williams, and thus must be vetoed.

In its opposition to the veto, the IBT argues that (i) the evidence does not support that Yager himself has associated with organized crime fiures, and (ii) the Independent Administrator's conclusion that appointing Yager would further IBT association with La Cosa Nostra was unsupported speculation. Neither challenge has merit.

First, as previously discussed, the factual record is replete with evidence linking Yager with organized crime figures. The IBT does not even discuss that evidence. Second, considering the evidence linking Yager with convicted felon Roy Williams, and the extent of Yager's contact with organized crime, the IBT has in no way rebutted the reasonable finding that the appointment of Yager would further the association of the IBT with La Cosa Nostra is arbitrary or capricious.

Accordingly, the IBT's challenges to the veto decision of the Independent Administrator on the grounds that it did not establish that such appointments would further the association of the IBT with La Cosa Nostra is without merit and must be dismissed.

IV. Conclusion

For the reasons stated above, the challenges to the veto decision of the Independent Administrator are without merit and must be denied.

IT IS HEREBY ORDERED that Application XV of the Independent Administrator is affirmed in all respects.

So Ordered.

Dated: April 18, 1991
New York, New York

/s/ Charles Haight
U.S.D.J.

United States District Court
Southern District of New York

ORDER
88 CIV. 4486 (DNE) X

United States of America,
Plaintiff,
-v-

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO, et al.,
Defendants. X

Court Orders *(continued)*

WHEREAS, pursuant to the electoral provisions of the March 14, 1989 Order in this action (the "Consent Decree"), delegates to the June 1991 International Union convention of defendant International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO (the "IBT") shall, among other things, nominate, under the supervision of the Court-appointed Election Officer, candidates for election to the IBT's General Executive Board in a direct rank-and-file election to be conducted in December 1991, and

WHEREAS the International Union convention of the IBT, scheduled to take place June 24–28, 1991, in Orlando, Florida, is an event of critical importance in the implementation of the Consent Decree, and

WHEREAS the Court deems it necessary and advisable that, in the event of any disputes concerning the proper implementation of the Consent Decree at the June 1991 IBT convention, the parties and the Court-appointed officers be able to seek and obtain prompt and effective rulings from this Court, it is hereby

ORDERED, pursuant to this Court's exclusive and continuing jurisdiction to ensure implementation of the Consent Decree, that the Election Officer and the Court-appointed Independent Administrator, with the assistance as necessary and appropriate of the IBT and plaintiff United States of America (the "Government"), take all appropriate steps to ensure that there will be a continuous and adequate communications link between the convention site and the Chambers of this Court during the entire period of the June 1991 IBT convention, and report to the Court on the steps they have taken to implement this directive, and it is further

ORDERED, pursuant to this Court's exclusive and continuing jurisdiction to ensure implementation of the Consent Decree, (i) that in the event that any dispute or other issue arises at the June 1991 IBT convention concerning whether any action taken or contemplated by anyone at the convention is or would be in violation of the Consent Decree or the Election Rules approved by this Court, or otherwise threatens to prevent the full implementation of the Consent Decree, the Government, the IBT, and the Independent Administrator each shall have the right immediately to seek from this Court a prompt ruling on that dispute or other issue, and (ii) that any such party exercising that right shall have the further right to notify the other parties that the convention proceedings shall be suspended until a ruling has been sought and obtained from this Court, and such notification shall be deemed to constitute an order of this Court, issued on pain of contempt, that the convention proceedings shall be suspended immediately and until further order of this Court.

Dated: New York, New York
April 29, 1991

/s/ Charles Haight
U.S.D.J.

United States District Court
Southern District of New York

OPINION & ORDER
88 CIV. 4486 (DNE) X

United States of America,
Plaintiff,
-v-

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO, et al.,
Defendants. X

EDELSTEIN, District Judge:

In the future, I will be most reluctant to approve any agreement reached with a member that calls upon him to meet certain conditions in the future unless the subject will remain suspended until he timely meets the conditions agreed upon.

Further, a failure to timely meet the conditions agreed upon will result in permanent disbarment from any activity, directly or indirectly, connected with IBT matters.

I would hope that Investigations Officer Carberry, or the Independent Administrator do not feel constrained to temporize because of inadequate manpower. Certainly, if manpower resources are a problem, that can be remedied.

So Ordered.

Dated: May 1, 1991
New York, New York

/s/ Charles Haight
U.S.D.J.

United States District Court
Southern District of New York

OPINION & ORDER
88 CIV. 4486 (DNE) X

United States of America,
Plaintiff,
-v-

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO, et al.,
Defendants. X

APPEARANCES: OTTO G. OBERMAIER, United States Attorney for the Southern District of New York, (Edward T. Ferguson, III, Peter C. Sprung, Assistant United States Attorneys, of counsel) for the United States of America:

COULSTON & STORRS, Boston Massachusetts, (Rudolph G. Pierce, James F. O'Brien, Dennis King, of counsel) for the International Brotherhood of Teamsters.

EDELSTEIN, District Judge:

This opinion emanates from the voluntary settlement in the action commenced by plaintiff United States of America (the "Government") against the defendants International Brotherhood of Teamsters (the "IBT") and the IBT's General Executive Board (the "GEB") embodied in the voluntary consent order entered March 14, 1989 (the "Consent Decree"). The provisions in the Consent Decree provided for three Court-appointed officials, the Independent Administrator to oversee the remedial provisions, the Investigations Officer to bring charges against corrupt IBT members, and the Election Officer to oversee the electoral process leading up to and including the 1991 election for International Officers (collectively, the "Court Officers"). The goal of the Consent Decree is to rid the IBT of the hideous influence of organized crime through the election and prosecution provisions.

On March 19, 1991, the Government moved this Court for (i) a declaration that the function of the International Union nominating convention as set out in ¶F.12.(D) of the Consent Decree may not be altered except by compliance with ¶L.17 of the Consent Decree; and (ii) and order enjoining the IBT, as the representative of the GEB, and its employees, members, agents, attorneys and affiliates (including local unions, joint councils, and area conferences [hereinafter the "subordinate entities"]) from taking any action to alter the function of the International Union nominating convention as set out in ¶F.12.(D) of the Consent Decree. This Court held oral argument on this motion on March 20, 1991, after which the parties submitted proposed findings of fact and conclusions of law.

This dispute arises because the Government has reasons to believe that constituencies of the IBT are planning for the IBT convention delegates to "vote out" the Consent Decree, more particularly, the provision for direct rank and file elections of International Officers. The Government contends that with the Consent Decree's electoral provisions voted out, the IBT would attempt to revert to its prior election process. Thus, the convention delegates themselves elect the General President at the convention, eliminating the rank and file vote, and thereby disenfranchising the membership. The Government seeks to prevent this situation. The Government asks this Court to rule on the legal status of provisions of the Consent Decree.

The validity of the Consent Decree's electoral changes to the IBT constitution are no longer at issue. Accordingly, the relevant ruling for this Court to make is a substantive determination of the legal effect of the Consent Decree in the event that the convention delegates vote against its constitutional changes. In the alternative, this Court will also rule on the Government's motion *de novo*.

I. Background

The Consent Decree settled the litigation between the Government and the IBT (the "underlying litigation"). As has been discussed more fully in opinions of this Court and the Court of Appeals this RICO litigation involved allegations of a massive racketeering enterprise and conspiracy to participate in that enterprise. *See, e.g. United States v. International Brotherhood of Teamsters, et al.*, Slip Opinion, (2d Cir. April 12, 1991) (Election Rules); *United States v. International Brotherhood of Teamsters, et al.*, 907 F.2d 277 (2d Cir. 1990) (All Writs Act injunction); *United States v. International Brotherhood of Teamsters, et al.*, 905 F.2d 610 (2d Cir. 1990) (Friedman & Hughes); *United States v. International Brotherhood of Teamsters, et al.*, 708 F. Supp. 1388 (S.D.N.Y. 1989) (Opinion denying motion to dismiss complaint in underlying litigation).

The Consent Decree amended the electoral and disciplinary provisions of the IBT constitution. By ¶9(a), the entire Consent Decree immediately became part of the IBT constitution:

> The IBT Constitution shall be deemed and hereby is amended to incorporate and conform with all of the terms set forth in the order.

Paragraph 9(b) further stated that the provisions of the Consent Decree would formally be voted a part of the IBT constitution by the delegates to the 1991 IBT Convention.

> By no later than the conclusion of the IBT convention to be held in 1991, the IBT shall have formally amended the IBT constitution to incorporate and conform with all of the terms set forth in this order by presenting said terms to the delegates for a vote. If the IBT has not formally so amended the constitution by that date, the Government retains the right to seek any appropriate action, including enforcement of this order, contempt, or reopening this litigation.

Among its substantive provisions, the Consent Decree amended the IBT constitution's then existing procedure for electing the General President and International Officers. Under the prior system, officers of IBT subordinate entities had been *ex officio* delegates to the IBT convention. At such a convention, those delegates would directly elect the General President and International Officers. The Consent Decree created a three-step election process culminating in direct rank and file secret ballot elections. First, the local unions have been holding local secret-ballot delegate elections during the fall of 1990 and the spring of 1991. Second, these elected delegates will attend the 1991 IBT national convention to be held June 24–28 in Epcot Center, Florida (the "convention"). There, the delegates will vote (i) to approve the Consent Decree's changes to the IBT constitution as provided by ¶9 and ¶F.12.(D) of the Consent Decree, and (ii) to nominate candidates for IBT International Officers. In the fall of 1991, the IBT will hold a union-wide, direct, secret ballot election of the rank and file for the International Officers.

Since the Consent Decree was executed on March 14, 1989, its scope, terms, and meaning have been repeatedly challenged. With respect to the disciplinary provisions of the Consent Decree, the Court of Appeals and this Court have now determined that the Investigations Officer and Independent Administrator are stand-ins for the General President and GEB, who properly delegated their disciplinary power to those Court Officers pursuant to Article XXVI, section 2 of the IBT Constitution. *United States v. International Brotherhood of Teamsters, supra*, Slip Opinion, (2d Cir., April 12, 1991) at 3617; *United States v. International Brotherhood of Teamsters, supra*, 905 F.2d at 622; December 27, 1990 Opinion & Order, 754 F. Supp. 333, 337 (S.D.N.Y. 1990); September 18, 1990 Opinion & Order, 745 F. Supp. 189, 191–92 (S.D.N.Y. 1990); August 27, 1990 Opinion & Order, 745 F. Supp. 908, 911 (S.D.N.Y. 1990); March 13, 1990 Opinion & Order, 743 F. Supp. 155, 159–60, *aff'd* 905 F.2d 610, 622; January 17, 1990 Opinion & Order, 728 F. Supp. 1032, 1048–57, *aff'd* 907 F.2d 277 (2d Cir. 1990); November 2, 1989 Memorandum & Order, 725 F.2d 162, 169 (S.D.N.Y. 1989); *Joint Council 73 et al. v. Carberry et al.*, 741 F. Supp. 491, 493 (S.D.N.Y. 1990); *Local 27 v. Carberry et al.*, July 20, 1990 at 3-4 (S.D.N.Y. 1990).

The validity of the Consent Decree's electoral changes are also settled. This Court and the Court of Appeals in turn have held that the electoral changes were properly within the purview of the General President and GEB and binding upon the entire IBT. *United States v. International Brotherhood of Teamsters, supra*, (April 12, 1991). The scope of the Election Officer's duties, October 18, 1989 Memorandum & Order, 723 F. Supp. 203 *stay and certification denied* 728 F. Supp. 920 (S.D.N.Y. 1989); *appeal dismissed*, No. 89-6252 (2d Cir. Dec 13, 1989), *cert. denied*, 110 S. Ct. 2618 (1990), *aff'd* Slip Opinion (2d Cir. April 12, 1991), and approved a comprehensive set of rules applicable to all facets of the IBT that govern this historic election. July 10, 1990 Opinion & Order, 742 F. Supp. 92 (S.D.N.Y. 1990), *aff'd* Slip Opinion (2d Cir. April 12, 1991).

The Consent Decree's constitutional changes are fully effective and binding on the entire 1.7 million member IBT. Challenges by subordinate entities and individual IBT members to the validity of the disciplinary provisions and electoral provisions have been repeatedly rejected by the Court of Appeals and this Court. *See, e.g., United States v. International Brotherhood of Teamsters, supra*, 905 F.2d 610, *aff'g* March 13, 1990 Opinion & Order, *supra*, (challenges to disciplinary powers of Court Officers rejected); *United States v. International Brotherhood of Teamsters, supra*, Slip Opinion, April 12, 1991, *aff'g* July 10, 1990 Opinion & Order (challenges of electoral process to subordinate entities rejected).

Paragraph L.17 of the Consent Decree, the future practices provision, sets out the obligation of the parties not to alter the understanding of both parties as to the terms of the settlement. Paragraph L.17 states:

> The parties intend the provisions set forth herein to govern future IBT practices in those areas. To the extent the IBT wishes to make any changes, constitutional or otherwise, in those provisions, the IBT shall give prior written notice to the plaintiff, through the undersigned. If the plaintiff then objects to the proposed changes as inconsistent with the terms and objectives of this order, the change shall not occur; provided, however, that the IBT shall then have the right to seek a determination from the Court, or after the entry of judgment dismissing this action, from this Court or any other federal court of competent jurisdiction as to whether the proposed change is consistent with the terms and objectives set forth herein.

Paragraph L.17 has been interpreted as requiring approval of any changes to the IBT constitution that would alter the background understanding of the parties as to disciplinary or electoral matters:

> [T]he IBT [must] refrain from any unilateral changes, 'constitutional or otherwise,' in the broad areas covered by the Consent Decree. Paragraph [L.]17 was obviously intended to protect the background understanding of both parties as to what existing rules, regulations, and constitutional provisions would govern the IBT.

United States v. International Brotherhood of Teamsters, supra, 905 F.2d at 620 (quoting March 13 Opinion & Order, *supra*, 743 F. Supp. at 163).

II. Discussion

In the instant matter, this Court must consider (i) ¶K.16, the application provision of the Consent Decree, (ii) two motions to intervene, (iii) the substantive legal status of the delegates vote at the IBT convention, and (iv) the Government's motion.

A. The Application Provision of the Consent Decree

As a threshold matter, the IBT argues that this Court should not entertain the Government's motion or make any ruling regarding the upcoming convention. The Government argues that the IBT consented to this Court ruling on the instant motion by way of ¶K.16. I agree.

Paragraph K.16 authorized this Court to "entertain any future applications" by the parties, which includes interpretations and rulings relating to the Consent Decree. Such rulings have been sought and issued numerous times

over the past two years. *See* October 18, 1989 Memorandum & Order, *supra*, (interpreting ¶F.12 to determine scope of duties of Election Officer); November 2, 1989 Memorandum & Order, *supra*, (interpreting ¶D.5 to determine statute of limitations for bringing disciplinary charges); November 16, 1989 Order, (interpreting ¶F.12.(E) to determine the scope of the Independent Administrator's right to publish a monthly communication in *The International Teamster*); December 12, 1989 Memorandum & Order, 726 F. Supp. 943 (S.D.N.Y. 1989), (interpreting ¶E.10 to determine when collateral lawsuits interfere with work of Court Officers); January 17, 1990 Opinion & Order, *supra*, (interpreting scope of applications to Court under ¶K.16; status of ¶F.12 changes); February 27, 1990 Memorandum & Order, 735 F. Supp. 502 (S.D.N.Y. 1990), (interpreting ¶F.12.(E) to permit publication of names of those charged in disciplinary proceedings in *The International Teamster*); March 13, 1990 Opinion & Order, *supra*, (determining Independent Administrator's power to interpret disciplinary portions of IBT constitution by ¶F.12.(A); inability of IBT to interpret disciplinary provisions of IBT constitution without complying with ¶L.17); April 9, 1990 Memorandum & Order, 735 F. Supp. 319 (S.D.N.Y. 1990), (interpreting "reasonable cause" requirement for sworn statements set out at ¶F.12.(C) (c) and (d)); July 10, 1990 Opinion & Order, *supra*, (interpreting ¶F.12.(D) scope of Election Officer duties; ¶E.10 injunction); November 28, 1990 Memorandum & Order, 133 F.R.D. 99 (S.D.N.Y. 1990), (interpreting cause requirement to take statements of IBT agents at ¶F.12.(C)(i)(d)).

The scope of ¶K.16 is broad enough to warrant the court to consider prospective matters that may threaten the letter, spirit and intent of this Decree. The IBT's assertion that this motion is speculative is merely a play on words. Further, the IBT has specifically refused to deny the Government's allegations. On March 20, 1991, I directly asked IBT General Counsel Grady whether the IBT disputed the Government's allegations. On behalf of the IBT, General Counsel Grady did not deny those allegations. (Transcript, March 20, 1991 at 24–25).

This matter would never even have to be addressed had the IBT been candid and forthright and assured me that no such plan was in place. The fact that they did not leads to the reasonable inference that they are up to no good.

Accordingly, the IBT's challenges are meritless.

B. Motions to Intervene

Two groups of IBT members, (i) the Durham-Mathis Unity Team, (a slate of candidates running for international office), and (ii) a group of elected delegates to the IBT convention, moved this Court to intervene in the instant motion pursuant to Fed. R. Civ. Pro. 24(a). These applications have no merit. Neither group has demonstrated that its interest in the instant matter is not "adequately represented by existing parties," in this instance the IBT. *See* Fed. R. Civ. Pro. 24(a). It has been established that the election of international officers pursuant to the Consent Decree is a matter solely in the purview of the IBT. *United States v. International Brotherhood of Teamsters, supra*, April 12, 1991 Slip Opinion at 3620. Accordingly, since the instant motion relates exclusively to the Consent Decree, specifically the validity of its provisions, the movants have not met the requirements of Rule 24.

As a result, intervention in this matter is hereby denied in all respects.

C. The Status of the Consent Decree

The Government seeks to determine the obligation of the IBT should the convention delegates vote against the Consent Decree's provisions. This issue needs clarification because ¶9(a), which stated that the IBT constitution was immediately amended to include all the terms of the Consent Decree, seems in conflict with ¶12(D) and ¶9(b), which provide that the changes would be brought to a vote at the convention. The language, purpose, and history of the Consent reveal that there is no inconsistency. The parties originally included the convention vote because of their uncertainty whether the IBT could agree to constitutional changes that would bind the subordinate entities by the Consent Decree. The vote was designed to ensure that the subordinate entities would be bound by their ratification. In the course of litigation over the past two years it has been conclusively determined that the IBT had the power to bind the subordinate entities, and has bound the subordinate entities, thus eliminating any possible uncertainty.

It is clear that the Consent Decree is fully part of the IBT constitution and the law of that union no matter what the convention delegates' vote. The (i) specific language of the Consent Decree and the intent of the parties expressed to me when the Consent Decree was signed, and (ii) legal decisions over the past two years make this self-evident.

First, the specific language of ¶¶9(b) and F.12.(D) (the "approval provisions") of the Consent Decree, coupled with the parties explicit statements clearly reveals the reasons for the inclusion of those provisions. At a conference held on March 14, 1989, after briefly considering the draft Consent Decree submitted to the Court by the parties, this Court pointed out a number of ambiguities in that document. (Transcript, March 14, 1989, at 1-18). Most relevant was this Court's observation that the Consent Decree contained an inconsistency: ¶9 stated that the IBT constitution was immediately amended in accordance with all the terms of the Consent Decree, but ¶12.(D) provided that the electoral changes would be submitted to the IBT convention delegates for a vote at the 1991 convention. (Tr. at 3).

In response to the Court's request for clarification, counsel for the Government on behalf of the parties stated why they had included those inconsistent terms:

> The document makes clear that the constitution of the IBT is deemed amended immediately. In the Government's view, that is a permanent amendment and not subject to change, absent [Governmental approval pursuant to ¶L.17], without first coming to the Government for change. . .
>
> Certain locals officials or local unions may in the future raise legal challenges about the amendment of an international constitution in a manner that was by court order rather than pursuant to the constitution which calls for ratification at a convention. We believe, the Government believes, your Honor, that there is no question that the amendments can be ordered by this Court pursuant to a consent decree, and that they are automatically in effect. But if down the road, there is a challenge by a local official or local union, ratification at the convention would eliminate any legal issue at all.

(Transcript, March 14, 1989 at 15–16). The Court then instructed the parties to insert "clarifying language" on this subject. *Id.* at 16. The parties returned later that day, having rewritten ¶9 to the current ¶¶9(a) and (b).

As was clearly stated to the Court, the Government insisted that the convention delegates vote on the Consent Decree's electoral changes, first at ¶F.12.(D), then at ¶9(b), in order to eliminate any potential doubt as to the Consent Decree's binding effect on the subordinate entities. The Government in no way intended to give the convention delegates "veto" power over the entire Consent Decree or any portion of it. Nor does the language of the Consent Decree, it purpose or history provide for such power. When the Consent Decree was signed on March 14, 1989, there was no direct legal ruling that established the IBT's ability to amend its constitution by the Consent Decree. It is undoubtedly true that had such precedent been in place on March 14, 1989, the approval provisions never would have been part of the Consent Decree.

Further, there is no doubt that the IBT agreed to the inclusion of the approval provisions for the sole purpose of ameliorating a potential legal challenge to its power to enter into the Consent Decree's constitutional changes. The General Counsel for the IBT, Mr. Grady, publicly stated just after the signing of the Consent Decree in testimony before the United States Senate, that the IBT agreed for the Consent Decree's changes to be submitted to the convention delegates solely at the insistence of the Government:

> Senator Nunn: How can, the Convention in 1991, or whenever it is going to occur, how can they—the Convention amend this if it if is precluded by this provision [¶L.17]?
>
> Mr. Grady: I recognize where the Senator is coming from and there does appear to be some inconsistency here.
>
> • • •
>
> However, it was the Government's position that we concur to that, that this was a necessary element of a settlement. That is, for the delegates to, in effect, bring these provisions into their own constitution, and that is why they are there.

Federal Government's Use of Trusteeships under the RICO Statute: Hearings Before the Permanent Subcomm. on Investigations of the Senate Comm. on Governmental Affairs, 100th Cong., 1st Sess. at 31. (1989).

Second, interpretations by this Court and subsequently the Court of Appeals have resolved challenges to the validity of the Consent Decree's constitutional changes. The amount of litigation that has ensued boggles the imagination. Repeated litigation has resulted in a line of decisions that conclusively determined the IBT's power to amend the IBT constitution by entering into the Consent Decree, and bind the entire union to those changes. *United States v. International Brotherhood of Teamsters, supra*, 905 F.2d 610, *aff'g* March 13, 1990 Opinion & Order, *supra*; *United States v. International Brotherhood of Teamsters, supra*, Slip Opinion, April 12, 1991, *aff'g* July 10, 1990 Opinion & Order; *United States v. International Brotherhood of Teamsters, supra*, 907 F.2d 277, *aff'g* July 10, 1990 Opinion & Order; *United States v. International Brotherhood of Teamsters, supra*, 907 F.2d 277, *aff'g* January 17, 1990 Opinion & Order, 728 F. Supp. 1032. *See also Joint Council 73 v. Carberry et al., supra; Local 27 v. Carberry, supra*. In consequence, the precise uncertainty that led to the inclusion of the approval provisions has been resolved by this Court and the Court of Appeals over the past two years. An examination of those decisions reveals how this uncertainty has been resolved.

With respect to the disciplinary provisions of the Consent Decree, Anthony Hughes, an IBT officer from local 507 in Cleveland, Ohio, argued before this Court and the Court of Appeals that the Consent Decree's disciplinary changes to the IBT constitution were not binding on him because the IBT did not have the power to unilaterally amend its constitution at judicial direction. The Court of Appeals specifically rejected that argument:

> Hughes contends that the IBT cannot unilaterally change its constitution . . . and then make the new terms binding on [its affiliated local unions and members]. This is so, Hughes maintains, because various provisions of the IBT constitution explicitly reserve the power of amendment to the International Convention of the IBT, by vote of its duly elected delegates.
>
> . . . Hughes . . . clearly could be bound by terms of the disciplinary mechanism set in place by the Consent Decree. This is so because the investigatory and disciplinary mechanism of the Court Officers are proper delegations of the powers of the IBT General President and the GEB within the scope of the IBT constitution that binds all members, and because the IBT constitution contemplates amendment by the GEB, under the circumstances of this case, as a result of judicial direction.

United States v. International Brotherhood of Teamsters, supra, 905 F.2d at 622.

With respect to the election provisions of the Consent Decree, the parameters of the election process set out in the Consent Decree has been continually contested over the past eighteen months by the IBT and the subordinate entities. The Court of Appeals has recently rejected all challenges to the Consent Decree's electoral changes to the IBT constitution. *United States v. International Brotherhood of Teamsters, supra*, Slip Opinion, April 12, 1991.

The electoral-related litigation began in October, 1989, where in the October 18, 1989 Order, this Court ruled that the power of the Election Officer at ¶F.12.(D) to "supervise" the 1991 IBT election must "be interpreted in its most expansive and proactive meaning." October 18, 1989 Memorandum & Order, *supra*, 723 F. Supp. at 206. In that order, this Court further authorized the Election Officer to promulgate rules to govern the delegate and International Officer election. *Id.* at 207.

On July 10, 1990, this Court approved, as modified, the set of rules promulgated by the Election Officer to govern the 1991 election. July 10, 1990 Opinion & Order, *supra*, 742 F. Supp. 94. In objecting to those rules, local unions argued that they were not bound by the Consent Decree's electoral changes to the IBT constitution because the IBT could not unilaterally agree to such changes absent their approval at an IBT convention. Those challenges were rejected. *Id.* at 98.

On April 12, 1991, the Court of Appeals affirmed this Court's July 10, 1990 Opinion. In that decision, the Court of Appeals specifically rejected arguments by IBT subordinate entities that the Consent Decree's electoral provisions were impermissible changes to the IBT constitution. The Court of Appeals adopted its reasoning in the *Friedman & Hughes* opinion, and held that the pursuant to Article XXVI, Section 2 of the IBT constitution, the IBT could amend its constitution to incorporate the Consent Decree's electoral changes at judicial direction:

> [The Affiliates] argue that those provisions [of the Consent Decree] that displace the IBT Constitution are not binding on them unless and until the amendments have been ratified at an IBT Convention properly constituted under the original IBT Constitution. We disagree.
>
> • • •
>
> Where the subject matter of an IBT constitutional provision relates to the power of the international rather than of local unions, the IBT may agree to a consent decree entered by a court that renders the provision inoperative and that IBT local unions and members are bound by the terms of that decree.
>
> • • •
>
> In the instant matter, the IBT constitutional provisions rendered inoperative concern not the powers of the international union but the method by which international officials—Convention delegates and international officers—are selected. . . . The challenged provisions do not relate to, or intrude upon, the governance of local unions or the conduct of collective bargaining by local unions. . . . We believe, therefore, that our decision in the instant matter fall within the rationale of *Friedman & Hughes* and that the Affiliates are bound by the Consent Decree.
>
> • • •
>
> [W]e . . . believe that an Affiliate or member cannot veto the IBT's settlement of this unique civil RICO action, at least insofar as the Consent Decree provides for membership elections of Convention delegates and IBT officers.

Id. at 3617–3621. This line of decisions has unequivocally determined that the Consent Decree's changes to the IBT constitution are valid and binding without the approval of a convention of the IBT. *Id.* This Court and the Court of Appeals have conclusively held that the IBT had the power to agree to the constitutional changes ordered by the Consent Decree, and that the subordinate entities are so bound by those new provisions. *Id.*

Accordingly, the Court finds that the specific reason why the parties in including the approval provisions is no longer at issue. Whatever the outcome of the delegates votes as to the electoral and disciplinary changes to the IBT constitution, those provisions will be in full effect in accordance with the Consent Decree. The Consent Decree's provisions may only be changed through full compliance with ¶L.17, subject to approval by the Government or this Court.

As a result of these determinations, the vote of the delegates on the Consent Decree will now have no legal effect. No action taken by the IBT at the convention can undercut the provisions of this Consent Decree.

I remind the IBT that it *voluntarily* agreed to the Consent Decree, and with it free rank and file elections. The past two years have demonstrated that the IBT had no intention of living up to its end of the agreement. The IBT has made every attempt to limit the scope and restrict the terms of the Consent Decree, and each time it has lost. But the time for challenges to the Consent Decree has now passed, and the IBT must live with the Consent Decree as written by the parties, approved by the Court, and repeatedly interpreted by this Court and the Court of Appeals.

I tend to be amused when I remember that the IBT by its representatives have made heroic statements from time to time to reaffirm their commitment to a union free of corruption and their dedication to free elections. How I wish that some of these statements could have been true. Time has proved, however, that these statements are empty of any meaning or purpose for the good of this important union.

D. The Motion for Declaratory and Injunctive Relief the Consent Decree

While this Court's ruling that the electoral provisions of the Consent Decree are binding upon the entire IBT regardless of the outcome of the convention's vote on those amendments also determines the Government's

specific requests for relief in its motion, this Court will in the alternative also consider the Government's motion on its merits. In order to decide that motion, this Court must consider (i) whether the parties to the Consent Decree and this Court directly foresaw this situation, and inserted a specific remedy at ¶9(b), (ii) the standards under which these orders should issue, and (iii) the merits of the Government's application. This Court has already held that ¶K.16 permits prospective applications for relief.

1. The Parties' Prior Consideration of this Issue

The IBT argues that the parties' March 14, 1989 colloquy with the Court regarding the inconsistency in the Consent Decree demonstrates that the parties foresaw the possibility that the delegates would vote against the Consent Decree's changes. At the Court's direction, a specific remedy, ¶9(b) of the Consent Decree, was inserted. As a result, the IBT contends that this Court should refrain from issuing this interpretation of the Consent Decree. This argument is without merit.

The specific language of the Consent Decree permits the Government's motion. Paragraph 9(b) provides that in the event that the IBT has not formally voted to amend its constitution by the end of the IBT convention, the Government may seek "*enforcement of this order*, contempt, or re-open[ing of] this litigation." ¶9(b) (emphasis added). In this application, the Government is asking this Court to rule that the future practices provision, ¶L.17, is still in effect even if the convention delegates vote against the Consent Decree.

The Consent Decree is a binding, coercive order of this Court which obligates the parties to adhere to its terms. Assuming *arguendo* that the delegates could vote out the Consent Decree's changes, the terms of the Consent Decree would still be in effect as an order of this Court binding on the General President and GEB as the representatives of the IBT. That order includes the Government's right to seek the remedies listed at ¶9(b), and the obligation of the IBT to adhere to ¶L.17. Such was the specific intent of the parties in constructing the Consent Decree.

In addition, the Government's motion is wholly consistent with the terms of ¶9(b). That provision gave the Government the right to "seek enforcement of this order" in enumerated ways. This motion essentially asks for a determination as to the status of ¶L.17 should the changes not be approved. Rationally, such a ruling must be seen as the Government seeking enforcement of another provision of the Consent Decree.

2. The Standards for the Instant Relief

With respect to the issue of the standards that must be met for this ruling, the IBT's argument that the Government must meet this circuit's standards for a preliminary injunction and declaratory judgment are not relevant. The Government has properly sought rulings setting out the rights and responsibilities of the parties with respect to the Consent Decree as is their right under ¶K.16. While the IBT correctly identifies the standards for seeking a preliminary injunction or instituting a declaratory judgment action, those standards are not relevant in the context of this ongoing case.

It is appropriate for this Court to issue injunctive and declaratory relief in the ongoing implementation of the Consent Decree. The power of the Court to issue such relief is to be found in the Consent Decree itself. *See New York State Association for Retarded Children, Inc. v. Carey*, 596 F.2d 27, 38 (2d Cir.), *cert. denied* 444 U.S. 836 (1979). As has been stated, this court finds that ¶K.16 specifically foresaw such rulings.

Further, this Court has the authority under the civil RICO statutue to issue "such restraining orders or prohibitions, or take such other actions . . . as it shall deem proper." 18 U.S.C. §1964(b). The equitable relief moved for by the Government may be issued by this Court in the context of this ongoing civil RICO action.

The Government has demonstrated that it is an appropriate exercise of this Court's equitable power to issue declaratory and injunctive relief in this unique situation. The IBT convention that is to take place June 24–28, 1991 will mark a watershed in the American Labor movement. The IBT, this nation's largest labor union, will vote to nominate candidates for the fall general rank and file secret ballot election for international office for the first time in its history. The convention will mark the culmination of over two years of work to achieve these noble electoral goals. Millions of dollars in union members' funds have already been spent in the course of this election. The convention itself is a large event, with over 2000 IBT delegates, and 10,000 family members travelling to Florida for five days.

I agree with the Government that a matter so important must be settled in advance of the convention. To do otherwise would permit the convention to plunge into total disarray. That ¶K.16 provided for the Court to issue declaratory and injunctive relief in such a situation is logical and rational. That RICO and the All Writs Act permits such rulings is also clear.

3. The Government's Application

With respect to the delcaratory relief, as a result of the subsequent judicial determinations as to the legal status of the Consent Decree, and as an order of this Court, ¶L.17 of the Consent Decree will be in effect for the three-year duration of the Consent Decree. In accordance with that provision, the Government or the Court must approve any changes to the Consent Decree, or the IBT constitutional provisions that implicate the Consent Decree, taken by the IBT.

Paragraph L.17 has been interpreted by the Court of Appeals and this Court such that:

> [T]he IBT [must] refrain from any unilateral changes, 'constitutional or otherwise,' in the broad areas covered by the Consent Decree. Paragraph [L.]17 was obviously intended to protect the background understanding of both parties as to what existing

rules, regulations, and constitutional provisions would govern the IBT.

United States v. International Brotherhood of Teamsters, supra, 905 F.2d at 620 (quoting March 13 Opnion & Order, *supra*, 743 F. Supp. at 163). The convention delegates rejection of the Consent Decree's changes would constitute an alteration of the explicit understanding of the parties as to the procedure for electing international officers. As with any such alteration of the background understanding of the parties, such a change must be in compliance with ¶L.17. Thus, the Court declares that ¶L.17 requires that any substitute electoral procedure must be first approved by the Government or by this Court. Failing this procedure, the existing procedure set out in the Consent Decree would remain in effect.

With respect to the equitable relief sought by the Government, there can be no doubt that every action must be taken to assure the implementation of this most important portion of the Consent Decree, the honest, fair, secret-ballot election. It is undoubtedly an appropriate exercise of this Court's equitable power to enjoin any activity taken by the IBT that would deny the membership their right to decide the legitimate leadership of their union.

Further, the IBT explicitly agreed in ¶E.10 of the Consent Decree that it would not "obstruct or otherwise interfere" with the implementation of the Consent Decree, or the work of the Court Officers. Since the Election Officer must supervise the election according to the election rules, any action taken to engineer a vote against the current electoral provision would constitute interference with the work of the Election Officer. Accordingly, any action taken to further the rejection of the Consent Decree's changes would violate the existing injunction in the Consent Decree. Thus, the IBT is put on notice that it shall not take action to vote against the very Consent Decree which it signed.

The Government's application is granted.

III. Conclusion

The Government's application for interpretations and rulings of the Consent Decree is hereby granted.

IT IS HEREBY ORDERED that the motions to intervene are denied.

IT IS HEREBY ORDERED that the electoral and disciplinary provisions of the Consent Decree are part of IBT constitution and binding on the subordinate entities regardless of the vote of the delegates at the IBT convention unless its provisions are changed in accordance with ¶L.17 of the Consent Decree.

IT IS FURTHER ORDERED that the function of the 1991 IBT International Union nominating convention as delineated in paragraph F.12.(D) of the Consent Decree may not be expanded, limited, altered, or otherwise changed in any way without full compliance with the provisions of ¶L.17 of the Consent Decree.

IT IS FURTHER ORDERED that the IBT, as the representative of the GEB and its employees, members, agents, attorneys and affiliates (including local unions, joint councils, and area conferences), is hereby enjoined from taking any action in an attempt to cause any expansion, enhancement, limitation, or other change in the function of the 1991 IBT International Union nominating convention as delineated in paragraph F.12.(D) of the Consent Decree, except action expressly authorized by paragraph L.17 of the Consent Decree.

So Ordered.

Dated: May 6, 1991
New York, New York

/s/ [illegible]
U.S.D.J.

United States District Court
Southern District of New York

ORDER
88 CIV. 4486 (DNE) X

United States of America,
Plaintiff,
:
-v-
:

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO, et al.,
Defendants.
:
X

EDELSTEIN, District Judge:

IT IS HEREBY ORDERED that the following sentences shall be added the May 6, 1991 Opinion & Order in the above-captioned case:

The sentence "Paragraph L.17, like the entire Consent Decree, is a permanent amendment to the IBT constitution." shall follow the last sentence of the first full paragraph on page 22; and

The sentence "Nothing in this opinion shall be construed to alter the provisions of the Consent Decree that require the Consent Decree's amendments to be put to the convention delegates for a vote," shall be added to follow the last sentence of the second full paragraph on page 23.

So Ordered.

Dated: May 7, 1991
New York, New York

/s/ [illegible]
U.S.D.J.

Court Orders *(continued)*

United States District Court
Southern District of New York

MEMORANDUM & ORDER
88 CIV. 4486 (DNE) X

United States of America,
Plaintiff,
:
-v-
:

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO, et al.,
Defendants.
:
X

In Re: Application XXII of the Independent Administrator X

APPEARANCES: OTTO G. OBERMAIER, United States Attorney for the Southern District of New York, (Edward T. Ferguson, III., Assistant United States Attorneys, of counsel) for the United States of America;

CHARLES M. CARBERRY, Investigations Officer of the International Brotherhood of Teamsters, (Robert W. Gaffey, of counsel);

ANDERSON, KILL, OLICK & OSHINSKY, New York, New York, (Jubelirer, Pass & Intrieri, Pittsburgh, Pennsylvania, Joseph J. Pass, Jr., Robert Eberle, of counsel) for Theodore Cozza.

EDELSTEIN, District Judge:

This order emanates from the voluntary settlement in the action commenced by plaintiff United States of America (the "Government") against defendants International Brotherhood of Teamsters (the "IBT") and the IBT's General Executive Board (the "GEB") embodied in the voluntary consent order entered March 14, 1989 (the "Consent Decree"). The remedial provisions in the Consent Decree provided for three Court-appointed officials, the Independent Administrator to oversee the remedial provisions, the Investigations Officer to bring charges against corrupt IBT members, and the Election Officer to oversee the electoral process leading up to and including the 1991 election for International Officers (collectively, the "Court Officers"). The goal of the Consent Decree is to rid the IBT of the hideous influence of organized crime.

Application XXII presents for this Court's review the opinion and supplemental opinion of the Independent Administrator deciding the disciplinary charges against Theodore R. Cozza. Cozza, a defendant in the underlying litigation and a signatory to the Consent Decree, is a member of the GEB as the Ninth Vice President; the Secretary-Treasurer of the Eastern Conference of Teamsters Policy Committee; the President of Local 211 in Pittsburgh, Pennsylvania, and chairman and trustee of the funds operated by IBT Local 211, the Employee Welfare Fund, and the Prepaid Legal Service Fund.

Cozza was charged by the Investigations Officer with violating Article II, §2(a) of the IBT constitution. Article II, §2(a) is the IBT membership oath, which provides in pertinent part that every IBT member shall "conduct himself or herself in a manner so as not to bring reproach upon the Union. . . ." The charge alleged that Cozza had conducted himself in a manner to bring reproach upon the IBT by knowingly associating with members of La Cosa Nostra from January 1, 1970 to the present. The Investigations Officer charged Cozza with knowingly associating with six members of the Pittsburgh area La Cosa Nostra.

The Independent Administrator determined that the Investigations Officer had met his burden and demonstrated just cause that the charge had been proved. The Independent Administrator determined that the following five of those individuals named by the Investigations Officer, John S. LaRocca, Gabriel "Kelly" Mannerino, Michael Genovese, Joseph "JoJo" Pecora, and Joseph Sica, were members of La Cosa Nostra (the "five individuals"). The Independent Administrator further determined that Cozza had knowingly associated with those five individuals. The proof against Cozza is fully set out in the Independent Administrator's opinion, attached to this memorandum as the Appendix, and need not be repeated here. (Appendix, at 10-28). The Independent Administrator imposed the penalty of permanent debarment from the IBT. Further, the Independent Administrator determined that the IBT or any affiliated entity should make no further payments to any of Cozza's five pension plans, or his three health and welfare benefit plans.

In the hearing before the Independent Administrator and in his papers before this Court, Cozza admits that he associated with the five individuals. Rather, in his voluminous appeal of the Independent Administrator's opinions, Cozza argues (i) he was denied pre-hearing discovery, (ii) the charge was unspecific, (iii) the charge violates his first and fifth amendment rights, (iv) he was unaware that those five individuals were members of La Cosa Nostra, and (v) the membership of Local 211 knew generally of his association with these individuals. Considering the unrefuted proof before the Independent Administrator, Cozza's position as a leader of the IBT, and the nature of the charges against him, these arguments are disingenuous, contrary to established law, and totally without merit.

I. Standard of Review

With respect to the disciplinary provisions of the Consent

Decree, the Court of Appeals and this Court have now determined that the Investigations Officer and Independent Administrator are stand-ins for the General President and GEB, who properly delegated their disciplinary power to those Court Officers pursuant to Article XXVI, section 2 of the IBT Constitution. *United States v. International Brotherhood of Teamsters, supra*, Slip Opinion, (2d Cir., April 12, 1991) at 3617; *United States v. International Brotherhood of Teamsters, supra*, 905 F.2d at 622; May 6, 1991 Opinion & Order, *slip opinion*, at 5 (S.D.N.Y. 1991); December 27, 1990 Opinion & Order, 754 F. Supp. 333, 337 (S.D.N.Y. 1990); September 18, 1990 Opinion & Order, 715 F. Supp. 189, 191-92 (S.D.N.Y. 1990); August 27, 1990 Opinion & Order, 745 F. Supp. 908, 911 (S.D.N.Y. 1990); March 13, 1990 Opinion & Order, 743 F. Supp. 155, 159-60, *aff'd* 905 F.2d 610, 622; January 17, 1990 Opinion & Order, 728 F. Supp. 1032, 1048-57, *aff'd* 907 F.2d 277 (2d Cir. 1990); November 2, 1989 Memorandum & Order, 725 F.2d 162, 169 (S.D.N.Y. 1989); *Joint Council 73 et al. v. Carberry et al.*, 741 F. Supp. 491, 493 (S.D.N.Y. 1990); *Local 27 v. Carberry et al.*, July 20, 1990 at 3-4 (S.D.N.Y. 1990). Hearings before the Independent Administrator are conducted pursuant to the same standards applicable to labor arbitration hearings. Consent Decree, ¶F.12.(A)(ii)(e).

Paragraph F.12.(C) of the Consent Decree mandates that the Independent Administrator must decide disciplinary hearings using a "just cause" standard. Consent Decree at 9. This Court should overturn the findings of the Independent Administrator when it finds that they are, on the basis of all the evidence, "arbitrary or capricious." This Court and the Court of Appeals have interpreted ¶K.16 to mean that decisions of the Independent Administrator "are entitled to great deference." 905 F.2d at 616 (2d Cir. 1990) *aff'g* March 13, 1990 Opinion and Order, 743 F. Supp. 155 (S.D.N.Y. 1990).

Since Cozza does not demonstrate that any of the Independent Administrator's determinations are arbitrary or capricious, his opinion and supplemental opinion must be affirmed in all respects.

II. Discussion

A. Discovery

Cozza's argument that the Independent Administrator violated the Consent Decree by refusing to grant him pre-hearing discovery is meritless. Paragraph F.12.(c) of the Consent Decree, which governs disciplinary hearings, does not give an IBT member against whom disciplinary charges have been filed any right of pre-hearing discovery. Cozza was not prejudiced by the conduct of the hearing. After the completion of the Investigation Officer's case against Cozza, he was granted a 19 day recess to consider all of the evidence and present his defense. Cozza claim that he was denied an opportunity to review the proof against him before putting on his defense absolutely belies all the facts before the Independent Administrator and this Court.

The Court finds his argument facetious, empty of any merit whatsoever, and is rejected.

B. Specificity of Charges

Cozza argues the charge against him was not adequately specific. A review of prior decisions and the charge demonstrates this is not so. The charge against Cozza listed the individuals that he was alleged to have associated with, and the time span for those associations. This Court has upheld virtually identical charges filed by the Investigations Officer against IBT members. August 27, 1990 Opinion & Order, 745 F. Supp. 908 (S.D.N.Y. 1990); September 18, 1990 Opinion & Order, 745 F. Supp. 189 (S.D.N.Y. 1990). The charge against Cozza was a plain, concise statement of the essential facts constituting the offense charged.

Cozza's argument is rejected.

C. Constitutional Challenges

Cozza further argues that the charge violates (i) his first amendment right of freedom of association, and (ii) his Fifth Amendment right to due process. These arguments are specious considering that the exact same contentions have already been rejected by this Court and demonstrate a flawed understanding of first and fifth amendment rights in the context of the mandates of this Consent Decree and the IBT constitution.

Cozza asserts that to be disciplined for associating with known organized crime figures violates his first amendment freedom of association rights. This Court has specifically rejected that argument. August 27, 1990 Opinion & Order, *supra*, 745 F. Supp. at 913. This Court held that:

> The Independent Administrator has determined that the IBT has the right to discipline members for knowingly associating with organized crime figures since it has a compelling institutional interest in ridding itself of corruption. The IBT's sanctioning itself in order to rid itself of corrupt influence conforms with §101(a)(2) of the LMRDA, and infringes no First Amendment rights.

Id. Cozza does even not attempt to address this holding. Further, Cozza is being disciplined by the Independent Administrator as a stand in for the IBT General President. He does not establish the state action necessary for a constitutional claim.

Cozza's fifth amendment due process argument ignores established precedent and is fanciful. Cozza argues that current punishment for past conduct violates his rights. He claims he was never notified that associating with organized crime figures could subject him to discipline. That very same argument was previously raised and rejected by this Court in its August 27, 1990 Opinion and Order, *supra*, 745 F. Supp. at 913-14.

Relatedly, Cozza also argues that these charges are unfair. He contends that the Government assured him in negotiating the Consent Decree that the ¶E.10 injunction against associating with organized crime figures would

apply to prospective conduct. This argument is irrelevant, since Cozza was charged with violating his IBT oath of office, not ¶E.10 of the Consent Decree.

This Court has specifically held that IBT members may be disciplined for associating with organized crime figures which occurred prior to the signing of the Consent Decree. In rejecting an identical challenge, this Court held "[by such conduct they] ignore [ ] their avowed duties as IBT officers to remain free of corrupt influence." *Id.* at 914. Cozza, as an International Vice President and member of the GEB, was under the highest duty to remain free of any taint or appearance of corruption. This Court has previously held that during the time in question Cozza clearly knew or should have known that close contact with organized crime figures was in contravention of his duty to the membership as a union officer. *Id.* Paragraph E.10 of the Consent Decree is not relevant to these charges.

Cozza's arguments are without merit.

D. Cozza's Knowledge

Cozza argues that he did not *knowingly* associate with organized crime figures because he was unaware that the five individuals were members of the Pittsburgh La Cosa Nostra. This argument does violence to the truth and offends reason. Counsel for Cozza admitted that "Cozza knew of the *allegations* against these individuals, as did many members of Cozza's local union and the public at large," but argues that Cozza did not have conclusive knowledge of their criminal conduct.

The Independent Administrator considered Cozza's admitted personal contact with these five individuals, including visiting with LaRocca on almost a daily basis, and concluded "it is inconceivable that he [Cozza] was unaware that they were infamous members of Pittsburgh's underworld . . . I conclude that such knowledge may be inferred from the duration and quality of the association." *Appendix* at 24-25.

Cozza is challenging the Independent Administrator's determination of his knowledge and intent. The trier of fact must infer knowledge and intent by considering the facts and circumstances, including the individual's acts and words, and then draw rational inferences from those facts and circumstances. As the trier of fact, the Independent Administrator considered the unrefuted evidence which demonstrated that Cozza was a close associate of all five of these individuals, including a daily visitor with LaRocca, that Cozza knew that the five individuals were members of La Cosa Nostra, and drew the reasonable inference of Cozza's knowledge. Cozza has not identified any evidence either ignored or overlooked by the Independent Administrator. The Independent Administrator findings were neither arbitrary nor capricious.

E. The Section 3(d) Defense

Finally, Cozza argues that the Independent Administrator erred by rejecting his contention that Article II, §3(d) ("§3(d)") of the IBT constitution, reproduced below, bars this charge.[1] This reasoning is baseless.

Judicial interpretation of §3(d) has established that to invoke this defense, a member must demonstrate "that the membership . . . had conclusive knowledge that the defendants were actually guilty of the conduct charged when they were" elected to their current term of office. March 13, 1990 Opinion & Order, 735 F. Supp. 506, 517 (S.D.N.Y.) *aff'd* 905 F.2d 610 (2d Cir. 1990). Section 3(d) cannot be used when the charged member denies the conduct. *Id.*; November 2, 1989 Memorandum & Order, 725 F. Supp. 162, 165 (S.D.N.Y. 1989), aff'd 905 F.2d 610 (2d Cir. 1990).

Cozza is legally barred from invoking §3(d). Cozza denies that he knowingly associated with organized crime figures: He still maintains that he did not know that the five individuals were members of La Cosa Nostra. Accordingly, Cozza cannot avail himself of the §3(d) defense since, as the Independent Administrator found, "it would be impossible for the Local 211 rank and file to be generally aware that Cozza was 'knowingly associating' with underworld figures, when Cozza himself denies that he knew of their underworld ties." *Appendix* at 29. As a result, the questionnaires Cozza presented to the Independent Administrator which purportedly demonstrated that the membership "knew generally" of his conduct is no more real than a mirage.

Nor should I overlook that Cozza has not even argued that the membership of the Eastern Conference of Teamsters, or the GEB as the representative of the entire IBT, knew generally of his conduct. Since he was an officer of both, he must demonstrate that all members of those bodies knew generally of his conduct to avail himself of the §3(d) defense.

Cozza's argument is meritless and must be rejected.

III. Conclusion

IT IS HEREBY ORDERED that Cozza's objections to the opinion and supplemental opinion are hereby denied.

IT IS HEREBY ORDERED that the opinion and supplemental opinion of the Independent Administrator are affirmed in all respects.

IT IS FURTHER ORDERED that the stay on the penalties imposed by the Independent Administrator is dissolved, effective immediately.

So Ordered.

Dated: May 9, 1991
New York, New York

/s/ [signature]
U.S.D.J.

[1] Section 3(d) provides in pertinent part:
Charges against elective officer of the International Union or any subordinate body shall be limited only to those activities or actions occurring during their current term of office, and only those activities and actions occurring prior to their current term which were not then known generally by the membership of the International Union or the subordinate body in the case of an officer of a subordinate body.

The Ron Carey Slate

Ron Carey
General President

- Trusted, dedicated 56-year-old President of New York City 7,000-member Local 804 for the past 23 years.
- Negotiated one of Teamsters' best pensions for Local 804 in 1968 with 25-and-out at any age.
- 35 years as a Teamster.
- Forced international to accept rank-and-file "majority rule" on contracts.
- Not paid huge, multiple union salaries—just $45,000 yearly as Local 804 President.

Diana Kilmury
Vice President At Large

- Member of Teamster Local 155 in British, Columbia, Canada, as a driver in the movie industry.
- 18-year Teamster.
- Was elected as a delegate to the IBT Convention in 1981 and 1986 from Local 213 — the largest local in Canada.
- Served as an elected steward and trustee while working in both the movie and construction industries.

Dennis (J.B.) Skelton
Vice President/Central Conf.

- Hard working rank-and-file Teamster who is also the proud second generation Teamster.
- Member St. Louis' Local 600 since 1970.
- Served as steward for approximately 10 years with Local 600.
- Works for Yellow Freight as a road driver, previously as city driver and dock hand.
- Father of two daughters, he and his wife live in St. Louis, Missouri.

Doug Mims
Vice President/So. Conf.

- Vice president of Local 728 in Atlanta, Ga. and former Consolidated Freightways driver.
- Teamster for 23 years.
- Member of a team of candidates which last year ended control of their local union by the Weldon Mathis family after more than 20 years.
- Local 728 is one of the largest locals in the Southern Conference with approximately 7,300 members working several trades in Georgia.

Tom Sever
Secretary-Treasurer

- Hard-working president and principal officer of Teamster Local 30 in Jeannette, Pa.
- Former freight driver who served as trustee and business agent.
- 33 years as a Teamster.
- Recently elected to third term as local president.
- Built a $200,000 surplus in his once near-bankrupt local.
- Local 30 has warehouse, freight and city employees and UPS workers among others.

John Riojas
Vice President At Large

- Working, active Teamster for 14 years, member of Local 657 in San Antonio, Texas.
- Served as his local's steward while working five years as parttime driver.
- Also served as a steward while fulltime UPS package car driver nine years.
- Three years of college credit.
- Elected Delegate to this year's Convention.
- Married and lives in San Antonio, Texas.

Bill Urman
Vice President/Central Conf.

- Secretary/Treasurer and Principle Officer of Local 792 in St. Paul, Minnesota.
- Teamster for 10 years at Coca-Cola Bottling Plant and served eight years as steward.
- Viet Nam veteran who served his country for three years as a U.S. Marine.
- Former college history major with three years of credits.
- 43 year-old father of two daughters.

Tom Shay
Vice President/Western Conf.

- Secretary-Treasurer and principal officer of Local 57, Springfield, Oregon. Joined Teamsters in 1966.
- Formerly served as Local 57 steward.
- Served as Local 57 president from 1984-1987.
- Completed courses through the Meany Center in arbitration, collective bargaining, organizing, contract negotiation.
- Father of two sons.

Mario Perrucci
Vice President At Large

- Secretary-treasurer and principal officer of 7,000-strong Teamster Local 177 in Hillside, New Jersey for 13 years.
- Member of the Teamsters for 25 years.
- Viet Nam U.S. Army veteran.
- Has negotiated "25-and-out at any age" pensions for Local 177.
- Local 177 has warehouse workers, UPS and furniture delivery workers.

Leroy Ellis
Vice President At Large

- Teamster for 17 years and currently works as a relay driver in Local 705.
- Served as steward for five years in Local 637.
- Employed by Roadway Express.
- Volunteers in his community's hospital and church.
- Married with two children and lives in Chicago Heights, Illinois.

Sam Theodus
Vice President At Large

- Three-term President of 5,000-member Local 407 in Cleveland.
- Teamster for 39 years.
- Served as Business Agent for six years and Secretary/Treasurer for three years.
- Fought for rank-and-file direct election of all officers at last convention.
- Korean War Marine veteran.
- Married with nine children.

Additional Candidates To Be Announced At Convention

For Real Leadership

For Your Union . . .

Don't Entrust The Teamsters' Future To Those Who Failed Us In The Past!

The Good Days Of Our Past, The Sad Days Of Our Present

The decade of the 80s was one of the labor movement's worst — *but it was doubly so for the Teamsters union.*

Compare the present with the past:

Fifteen to 20 years ago the Teamsters union was standing up to employers. As a result, the membership had good jobs, good wages, good grievance procedures — and no winking at non-union shops.

Now our top leadership is under the thumb of both management and the federal government.

We work under give-back contracts and unjust grievance procedures, receive wages and health care benefits of declining value, and our members belong to a troubled union with a uncertain future.

In years past our international leadership was paid well for their work. But at least they worked and delivered for the Teamsters families.

From A Once Proud Union To Federal Supervision

Think about how it is today:

- More than 150 of our union officials earned over $100,000 in 1989.
- Our leadership now delivers only for *their* families, friends and cronies with padded payrolls. Four of our 12 international auditors are sons of Teamster officials — not one of whom is a certified public accountant!
- Many top officers retire on over $100,000 per year. Compare that with your pension plan!
- In the past decade we've lost more than 600,000 members and organizing is next to impossible. Corruption haunts us in all our efforts.
- The federal government — forced by corruption at the highest levels — is administering our union, controlling our affairs, conducting elections.

Those Who Could Have Prevented This Didn't!

Who caused all this to happen? The list of names is too long. Many of them we already know about.

More importantly is that R.V. Durham and Weldon Mathis could have prevented it and didn't. They sat silently on the General Executive Board doing nothing while member after member of the board was forced to leave because of wrong-doing.

They say they held responsible international union positions, so let's hold them responsible.

Compare how Durham and Mathis dealt with corruption when faced with it — and how Ron Carey quickly removed his own secretary-treasurer from office on learning he took a $2,000 kickback, the only such incident in Carey's 23 years as president.

Carey's Platform For Tomorrow

Following is the platform endorsed by Ron Carey and his slate of candidates for international office:

- **Corruption won't be tolerated. The guilty will be thrown out of the union.**
- **Better pensions are a *must*! Trustees *will* work for the members.**
- **Health care benefits *will* improve, providers will be held accountable, and we'll support national health insurance.**
- **No more sellout contracts!**
- **No kangaroo court grievance system.**
- **Members will elect *all* union officials.**
- **A strike fund that's worth something.**
- **Outrageous multiple salaries of union officials will be abolished.**
- **Political action will support our friends and oppose our enemies.**
- **Fair representation for Canadians.**
- **Aggressive organizing campaigns.**
- **Training for local union leaders.**

Trust A Real Leader

. . . For Your Family

For An Open, Honest Teamster Union
Trust The Ron Carey Slate

A Proven, Corruption-Free Fighter For Teamster Families

In this election for General President there's no more trusted, dedicated and corruption-free Teamster than Ron Carey. Consider the following:

- Carey's served as president of 7,000-member Local 804 in Long Island City, NY for 23 years. Unlike the current international leadership, he's not paid huge multiple union salaries — just $45,000.

Compare Carey's salary with the amounts some of the Durham-Mathis $late collected from just the International in 1989: ▸ R.V. Durham—$105,374; ▸ Weldon Mathis— $427,874; ▸ Riley—$165,526; ▸ Weinmeister— $306,722; ▸ Lawson—$212,422; ▸ West—$132,507.

And then there's the Walter Shea-Ligurotis $late. Shea collected $230,935 from the International and Ligitoris collected $293,561 — all your dues money.

And these amounts ***don't include*** what they collected from their locals and joint councils!

- Carey's local has one of the Teamster union's best pension plans — 25 years-and-out at any age.
- He and his business agents begin *every* work day meeting with Teamsters at a job site, keeping abreast of member needs.

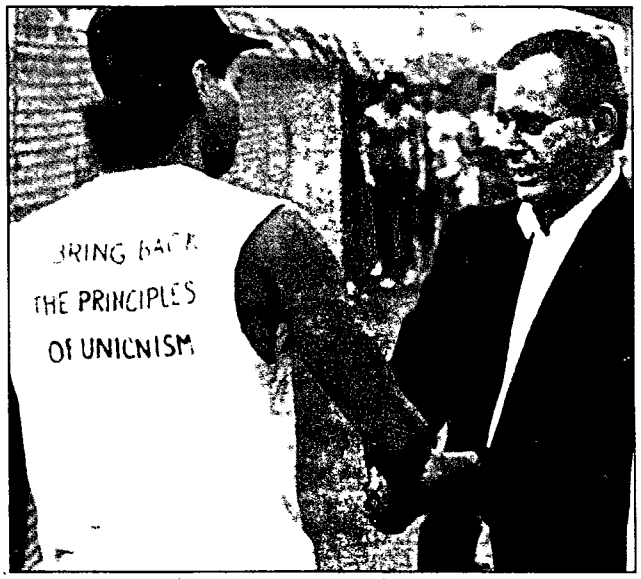
Ron Carey On Good Pensions

From the very beginning of his presidency of Local 804 one of Ron Carey's prime goals was to negotiate the best possible pension contract for the Teamsters he represented.

And he did! Way back in 1968!

Carey's Local 804 Pension Plan

Retire *any age* after 25 yrs: $1,500 monthly
Retire *any age* after 30 yrs: $1,850 monthly
Retire age 55 and 25 yrs: $1,850 monthly
Retire age 55 and 20 yrs: $1,480 monthly
Retire age 55 and 14 yrs: $1,036 monthly



A supporter's T-shirt says it all to Ron Carey

The pension agreements under which Carey's Local 804 members retire are among the very best anywhere. Just compare your pension with the one outlined in the box below in the first column.

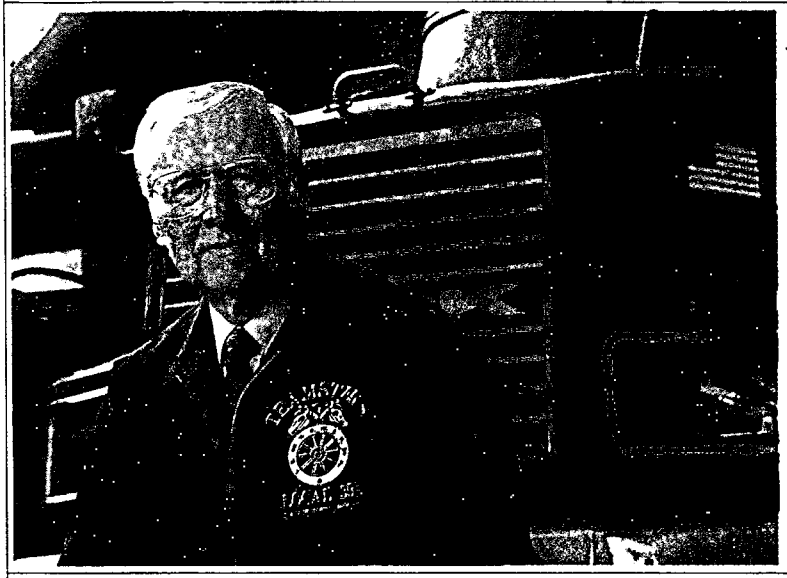
Carey's Record On Members' Rights

Throughout his 23 years as president of Local 804 all union officers, business agents and shop stewards have been elected by the members. Further, Carey made rank-and-file elections a key component of his campaign platform a year before it suddenly turned up in the Durham-Mathis propaganda.

Isn't it amazing that while Durham, Mathis, Shea and the rest of their board spend $12 million of our dues money fighting your right to vote, at the same time they actually want you to believe they support your right to vote. After 30 years in power without members voting, do you believe these guys?

The Carey Record On Contract Voting

In 1987, on the heels of national contract agreements rejected by a majority of workers but accepted by the union's international leadership, Carey sued the Teamsters leadership to force them to abide by a ***majority vote*** of members on all future contracts.



◀ Durham: He favors limits on the often-bloated salaries of Teamsters officials

▶ Carey: The New York reformer has a good chance at the union's presidency

TEAMSTERS

THE TEAMSTERS AND THE MOB: IT MAY REALLY BE OVER

Some 40 honchos are out, and the December election is a toss-up

The roster reads like a *Who's Who* of bad fellas. Since the federal government brought an unprecedented racketeering suit against the Teamsters in 1989, dozens of officials at one of the largest, most mob-connected unions in the nation have been muscled out or decided to quit. By yearend, every top officer alleged by law-enforcement officials to have mob ties is likely to be gone. Court-appointed overseers have run out dozens more local leaders as well. It's just one sign that the Teamsters, long considered rotten at the top, is on the verge of being cleaned up.

Government officials caution that it's still hard in some cases to keep the mob at bay (box). But Mafia bosses no longer can arrange quiet pension-fund loans or self-serving labor contracts with Teamsters brass. The change will be dramatized on June 24 when the union holds a convention in Orlando to nominate candidates for president—and for the union's 16-member executive board—in elections to be held in December. For decades, the board hand-picked a president, who was anointed at the convention. This year, the delegates will choose at least two candidates—most likely including Ron Carey, a New York-based reformer, and R. V. Durham, the union's chief negotiator, who hasn't been linked to the mob. Then next winter, all 1.6 million Teamsters members can cast secret ballots.

Even if Carey's anticorruption campaign doesn't bring him victory, it will have a cathartic effect: Already, other candidates speak openly about cleaning up the union—a verboten topic before. "I've seen quite a few of these Teamsters elections," says Jim E. Moody, chief of the organized crime section at the Federal Bureau of Investigation, "and this is the first one where I don't know who's going to win."

The old guard didn't lie down easily. Had the union lost the racketeering suit, it might have been put in trusteeship. To avoid that, President William J. McCarthy signed a government deal providing for direct elections and letting in two court-appointed overseers to root out corruption. Then, he hired platoons of lawyers—$12 million worth, so far—to litigate the deal at each step. Teamsters leaders also cooked up an effort to block rank-and-file elections. The plan: simply to ask convention delegates to approve the old way.

CLEAN SWEEP. But the maneuvering hasn't worked. Charles M. Carberry, the overseer in charge of investigating officials suspected of crimes or mob connections, stayed in close touch with the FBI. To date, he has charged more than 100 Teamsters, 41 of whom now are out of the union. Others have quit, retired, or have said they plan to do so soon. Most impressive is the sweep of the governing executive board. If all the current charges stick—and the courts have upheld Carberry on all those appealed so far—no one with alleged mob ties will

IS RYDER IN BAD COMPANY?

For decades, the Teamsters has been branded for its links to organized crime. But as the government cleanup of the union proceeds, it's the Teamsters' turn to point a finger. Teamsters for a Democratic Union (TDU), a dissident group that long has attacked corruption in the union, charges that the nation's largest hauler of new cars, Ryder System Inc., is kowtowing to the Chicago mob.

The allegation comes amid bargaining over a new contract between car-hauling companies and the Teamsters, which represents more than 95% of the industry's 18,000 drivers. Several large car haulers have tried to circumvent the union by hiring non-Teamsters drivers. But Miami-based Ryder, which controls 39% of the new-car hauling business, has gone further.

Through a Cleveland labor-leasing company, Ryder is using some 200 drivers who belong to a Chicago union called the National Production Workers Union. The NPWU offers cheaper rates and lower benefits. But the dissident Teamsters charge that it is tainted by organized crime.

The alleged link: The NPWU, which

PHOTOGRAPHS BY CHARLES GRIPPO FROM MAGNUM

be left on the board.

The overseers are winning on the election front, too. Federal Judge David N. Edelstein, who monitors the settlement from New York, ruled that the convention couldn't veto the reforms already agreed to, although the union has appealed his decision. Edelstein even plans to set up shop in the Orlando courthouse, so he can be on hand to rule on disputes. Another overseer, Michael H. Holland, has constructed—and enforced—a detailed set of rules governing elections of convention delegates. Previously, local union officers often became delegates automatically.

The double whammy of Carberry's charges and Holland's rules has transformed the Teamsters' autocratic political hierarchy. As members saw that the elections wouldn't be a sham, political contests broke out everywhere. Dozens of candidates announced bids for board seats, including six for the presidency. The board split openly over its own candidate after McCarthy lost out in a power struggle. A slim majority backed Durham, 59. A faction led by Joseph Trerotola, the powerful head of the union's Eastern region, put up Walter Shea, a longtime assistant to several Teamsters presidents. But Carberry then accused Trerotola of tolerating mobsters in his region. Trerotola is fighting the charge.

These divisions give a real shot to Carey, president of Local 804 on Long Island, N. Y. He started with handicaps: He has raised only $250,000 of the $2 million he thought necessary to mount a nationwide campaign among the union's 620 locals. And he was endorsed by Teamsters for a Democratic Union, a doubled-edged sword. TDU, a dissident group with fewer than 10,000 members, gave Carey a national base. But it is hated by top Teamsters for its relentless attacks against them over the years.

To nearly everyone's surprise, Carey, 55, is hanging in. He claims already to have garnered 250 of the 1,900 convention delegates elected from the locals—far more than the 98 needed to get on the ballot. Four TDU delegates pledged to Carey even won election in President McCarthy's hometown local in Boston. "The mob's power has been broken in the union," says Carey. "They can't play a role anymore, no matter who wins."

Even more telling is how honesty and accountability have become the new standard. This has even squeezed out leaders not linked to the Mafia. One is Arnie Weinmeister, a longtime vice-president who dropped off Durham's slate after Carey attacked his $650,000-a-year salary. This is a dramatic change for the Teamsters, where more than 150 officers pull in $100,000-plus a year, usually by holding multiple union jobs, as does Weinmeister, who won't comment. Durham has proposed salary restrictions to end complaints "that some [officers] only care about making a half a million dollars."

Higher ethical standards also have helped drive out Weldon L. Mathis, the union's secretary-treasurer. He hasn't been tainted by allegations of mob ties, but the Labor Dept. did find election fraud in his Atlanta local. Mathis, 65, won't comment. But insiders say he felt the heat from Carey's attacks and decided to retire. Says one Durham team member: "Mathis didn't want to go through a campaign being called scum by Carey."

PETTY CROOKS? As the cleanup continues, organized labor sees one downside. Many unionists objected to the federal lawsuit, which involved the first use of the Racketeer-Influenced & Corrupt Organizations Act (RICO) against an entire union, since the act lets prosecutors use civil standards of proof instead of stricter criminal ones. They feared that a precedent set at the Teamsters would let the government use RICO to run roughshod over any union.

Carberry has brought home these worries by charging Teamsters that have no alleged mob links. In some cases, officials who allegedly cribbed on expense accounts have been accused of embezzlement and kicked out of the union. That's the allegation against Michael J. Riley, a vice-president from Los Angeles with no history of mob ties. Other unionists agree that Riley and others were wrong if they cheated. But Laurence S. Gold, the AFL-CIO's general counsel, argues that the point of the historic lawsuit was to clear out mobsters, not chase petty crooks. "You could indict half the people in the Justice Dept. on the standards they're using," says Gold.

Still, the progress against Mafia influence in the union is impressive. And that's no doubt a relief to the vast majority of honest, rank-and-file Teamsters.

By Aaron Bernstein in New York

TURMOIL AT THE TOP

Court-appointed overseers have brought charges against more than 100 Teamsters officers, alleging everything from Mafia links to embezzlement. Others have resigned or retired. Here are the most powerful ones who have left, or are about to

Name	Position	Status
WILLIAM J. McCARTHY	President	Not running again
WELDON L. MATHIS	Secretary/Treasurer	Not running again
JOHN J. CLEVELAND	Vice-President	Agreed to retire*
T.R. COZZA	Vice-President	Banned for alleged mob ties*
HAROLD FRIEDMAN	Vice-President	Banned for 13 years
ROBERT HOLMES	Vice-President	Agreed to retire
JOSEPH W. MORGAN	Vice-President	Retired
DONALD PETERS	Vice-President	Retired
MICHAEL J. RILEY	Vice-President	Charged with embezzlement
MAURICE R. SCHURR	Vice-President	Agreed to retire
JOSEPH TREROTOLA	Vice-President	Charged with tolerating alleged mobsters in the union
GEORGE J. VITALE	Vice-President	Banned for 5 years†
ARNIE WEINMEISTER	Vice-President	Not running again

*Deceased †Appealing an embezzlement charge

DATA: BW

isn't affiliated with any national union, is run by Joseph Senese. And his father, Dominic, also known as "Big Banana," was recently removed by court-appointed overseers as the president of Teamsters Local 703 because of allegations that he's a member of the Chicago mob. Dominic has appealed the charge. Joseph hasn't been accused of mob ties. Lucien, his brother and the heir apparent in Local 703, was nearly killed by a car bomb days after his father's ouster last August. "It's a dangerous crowd Ryder is associating with," says William J. Carothers, a car hauler and member of the TDU.

Ryder officials decline to comment. So does Joseph Senese, though a lawyer for the NPWU denies that Dominic or the Mafia is involved in the union or has tried to influence it. But officials at the TDU charge that Ryder is dealing with mobsters who are trying to escape the government cleanup of the Teamsters. Indeed, after Dominic was removed, Local 703 transferred some members to the NPWU. The Teamsters has challenged the move in court.

Charles M. Carberry, the overseer who is cleaning up the Teamsters, says he can investigate Teamsters only. So if federal investigators find mob ties at the NPWU, they'll have to start from scratch—just as they did with the Teamsters 40 years ago.

By Antonio N. Fins in Miami

Carey hits master agreement; poll shows Teamsters race wide open

by John D. Schulz

Ron Carey, gaining momentum prior to the Teamsters union's open nominating convention next month, has improved his once-longshot chances at winning the union presidency. The first-ever direct election of a leader by the union's rank-and-file takes place in December.

A poll conducted for Teamsters vice president Walter Shea by the Strategy Group, a Chicago consulting firm, showed Shea as the front-running choice of 22 percent of those repond-ing. Next came Carey, president of the Teamsters' 7,000-member New York Local 804, with 16 percent.

Shea

Carey

Durham

R.V. Durham, director of the Teamsters' freight division and considered the union establishment's hand-picked successor to retiring union President William J. McCarthy, was third, with 7 percent. Lou Riga, a California Teamsters leader, was picked by 2 percent of those polled.

The election eventually could boil down to Ron Carey vs. the union establishment. Durham is said to be willing to enlist Shea as part of his campaign to ensure a unity slate that the current Teamsters' leadership can endorse.

"There's an awful lot of disunity on that unity slate," Carey said.

Last week, Carey sought to distance himself from that group by heavily criticizing the recently ratified three-year National Master Freight Agreement, negotiated chiefly by Durham. Durham called it the "largest monetary settlement" in the trucking industry since deregulation in 1980. It was ratified by a 2-1 margin of the 92,772 Teamsters who voted.

"I was not satisfied with that contract and my position would have been not to recommend its ratification," Carey told Traffic World. "It was not worthy of approval. It didn't address any of the major issues, such as casual (part-time) labor, cost-of-living increases, grievance procedures, or pensions.

"The membership was scared," Carey said, when asked how the contract could be ratified by such an overwhelming margin. "We live in such uncertain economic times that people were concerned and frightened about any prospect of a strike."

Carey said one condition that should be included in the next master agreement is a regional wage differential. He said he favors separate pay scales for workers in the East, West, Central and South regions because of the vast differences in living costs among them.

Union negotiators "could have done a lot better," Carey said. "I would have pushed it to the max. I just would have stayed at that table until it was the best deal we could have gotten."

Carey also said he is disturbed by the drastic reduction of Teamster members in the trucking industry. Just over a decade ago, there were nearly 300,000 Teamster truckers. While the union claims there are still 160,000 truckers in the 1.6 million-member union (down from 2.2 million in 1978), Carey noted there were only 148,000 ballots mailed during the recent ratification vote.

"What do those numbers tell you?" Carey asked. "Nothing is spent on organizing members anymore. Five or ten years ago, if you went to a truck stop, 95 percent of the truckers were Teamsters. Now, 98 percent of the truckers are non-union drivers."

With this backdrop, Carey and running mate Tom Sever welcomed the poll showing Carey running second to Shea.

"We'll take that 16 percent and be happy," one Carey staffer said.

Durham's backers dismissed the poll, saying it "had little to do with where members will stand in November and December," but other union leaders saw a clear message in the rank-and-file's response.

"We don't have to convince anybody that these millionaires who have run our union downhill need to be opposed," said Ken Paff, president of Teamsters for a Democratic Union (TDU), the dissident group that is backing Carey's candidacy.

The TDU fared extremely well in the Strategy Group's poll. In an approval-rating poll among rank-and-file Teamsters, the 10,000-member TDU ranked first with 32 percent. No single member of the Teamsters' leadership won more than a 24 percent approval rating.

While TDU leadership was gratified with its showing in the poll, one TDU staff member said the "disintegration and factionalism of the union leadership is no great cause for celebration. The real cause is how the rank-and-file get together to effect meaningful change in that leadership."

This is where Carey comes in, observers said. With 22 years as president of the largest Teamsters local in the country, the 53-year-old Carey has clearly proven his leadership ability. He also is distinctly apart from the union's Washington-based leadership. Fond of saying he earns less than the French chef who works at the Teamsters' Capitol Hill headquar-

ters, Carey lives modestly in the same house he bought 30 years ago.

"I can win," Carey said flatly last week.

What helps Carey's chances is the historic change in the rules of Teamsters' elections. For the first time, the union's president will be elected by a direct vote of its members. This election also will be held under the close auspices of a three-member federal administrative panel to assure fairness and integrity.

In the past, the election was a secret affair by a vote of the union's 17-member general executive board. That made direct electioneering to union members meaningless. The wishes and demands of rank-and-file members often were ignored as the general board elected its hand-picked candidate behind closed doors.

Although the direct-vote edict was issued two years ago, at the insistence of government-appointed overseers, Carey said he is concerned that the membership may not be fully aware that the power of the union has been effectively transferred to the rank-and-file.

"I'm concerned the members don't even know about the election yet," Carey said. "That's my first job — letting them know they now have the right to vote and for who and what they believe in. My second job is to offer the rank-and-file what they deserve — leaders as honest and hard-working as our members are."

Carey is traveling every weekend seeking support of union members and potential elected delegates to the 24th Teamsters convention, which begins June 24 in Orlando, Fla. Delegates as well as candidates for 17 top union positions, including president, will be chosen at that convention.

Carey is hoping all this will help change the corruption that has resulted in three recent Teamsters presidents (Dave Beck, Jimmy Hoffa and Roy L. Williams) going to jail. A fourth (Jackie Presser) was under indictment on embezzlement charges when he died in 1988.

The only hint of corruption on McCarthy's watch has been the award of a printing contract of the Teamsters' in-house magazine to a close relative. But Carey said the stain of corruption remains with the Teamsters and has "sapped the union in terms of money and credibility" as well as being a distraction to its current leadership. ■

THE WALL STREET JOURNAL

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Dissident Drive

A Teamster Sets Out On a Tough Campaign For Union Presidency

Ron Carey Lacks Funds, Sees Fear in the Rank and File Over First Direct Election

The Specter of Past Violence

By ANN HAGEDORN
Staff Reporter of THE WALL STREET JOURNAL

The first time Ronald Carey ran for a Teamsters office, his boss at United Parcel Service accused him of adultery. "If you don't resign, we're going to have to turn that evidence over to your wife," the 30-year-old UPS deliveryman was warned.

Mr. Carey silently opened the briefcase on his lap and, slowly swiveling the open side toward his boss, revealed a running tape recorder. At subsequent union campaign rallies, he played the tape. Mr. Carey easily won the presidency of his local in New York's Queens borough, a post he still holds. UPS declines to comment.

That was 23 years ago. In those days, the International Brotherhood of Teamsters was renowned for thuggishness, political skulduggery and cozy ties with employers. The Mob often rigged elections of top union officials in return for money, jobs and power. Prosecutors always seemed a step behind.

Ronald Carey

Now, as Mr. Carey slogs through a long campaign for the presidency of the entire 1.6 million-member union, is all that history—or current events?

On the face of it, much has changed, and mostly in the past 18 months. Under a 1989 settlement of racketeering charges, the international union's leaders must be elected through direct, secret-ballot voting rather than, as in the past, by local union leaders. Government observers are to police all 1,000 or so polling places to see that the first such election, in December 1991, is fair. And in the months preceding it, court-appointed officers are moving to oust union leaders still accused of Mob ties.

Rumblings of Democracy

This fall, the first rumblings of democracy are shaking up the union's 635 locals as they begin free elections of the delegates who, at the national convention next June, will nominate candidates for the union's top posts. If the insurgents show strength in the delegate contests, says Clyde W. Summers, a law professor at the University of Pennsylvania, the union may face big changes.

"In a one-party state, as this union has been," he says, "you may have a lot of people who don't particularly like the status quo but who won't reject it until it appears safe enough to shift. Look at Eastern Europe. When they saw which way the wind was blowing, then they set their sails for the wind."

The changes in the nation's largest union give insurgents such as Mr. Carey a long-shot chance to take control. His campaign is a classic reform effort, complete with pledges of cleaning up the union, trimming its leaders' lavish salaries and ensuring that labor agreements benefit the rank and file. He promises to economize on junkets and perks and, instead, to funnel union dues into aggressive drives to organize nonunion workers. "The party's over," trumpets one of his campaign slogans.

Attempts to Block Vote

But despite the 1989 settlement in U.S. court in Manhattan, the Teamster leadership has doggedly pursued legal maneuvers to block the election. Some local officials have told their members it will never take place. Shop stewards have warned some workers they will lose their jobs if they endorse Mr. Carey. So far, there hasn't been any violence, but the ghost of past violence haunts the campaign.

A Teamster at a Saginaw, Mich., meeting last summer asked Mr. Carey, "How're you gonna stay alive?"

Although Mr. Carey brushes off such fears, he and his followers are vigilant. On road trips, members of the Carey entourage search cars and sometimes sleep outside his door. Back in Queens, Mr. Carey has installed spotlights on both sides of the union hall's front door. Flanking it are bushes that are 12 feet high and "good for hiding," Mr. Carey says.

Sheer paranoia? Possibly not in a union in which four of the past seven Teamsters international presidents were indicted, three went to prison and dozens of union officers were found dead under suspicious circumstances. According to the U.S. Attorney's complaint in the racketeering case in Manhattan federal court, there were at least 200 Teamster officials with proved or alleged Mob connections.

Aside from the safety precautions, traveling with Mr. Carey is no different from hitting the road with any early, and poorly financed, political candidate: lots of fast food, shabby motels and long stretches of road. Since January, he has visited more than 100 towns in 40 states. In three hectic days last August, he visited 21 job sites and held seven rallies in St. Louis, Indianapolis, Detroit, Saginaw and Toledo.

At age 54, the compact, energetic ex-Marine launches his assault even before daybreak at diners, truck stops, motels and parking lots. Standing on tiptoe as truckers move their rigs through plant gates, Mr. Carey reaches up to the window of each cab, hands the driver a brochure, shakes his hand and says, "I'm Ron Carey. . . . We gotta change our union, buddy."

With him as he campaigns are members of the Detroit-based Teamsters for a Democratic Union, a reform group that has been recruiting union rebels for 15 years. Though Mr. Carey isn't a member, the group provides a connection for him at every stop.

In speeches, Mr. Carey hammers away at union bosses, accusing them of accepting payoffs from employers in exchange for lower wage demands and "labor peace." In the latest string of such cases over three decades, Francis J. Walsh Jr., who owns Walsh Trucking & Consolidating Co., pleaded guilty last month in Camden, N.J., federal court to paying $1,200 to $3,000 a month to Teamster local officials from 1977 to 1986. Prosecutors alleged the payments allowed Mr. Walsh to hire workers at a rate below union scale.

Mr. Carey also takes the somewhat-daring position that the union's well-known ties with such Republican presidents as Richard Nixon and Ronald Reagan have damaged the whole labor movement rather than increased the Teamsters' clout. He says the union, which has the nation's biggest-spending political-action committee, should reserve its allegiance for politicians who espouse pro-union philosophies.

Bickering Board

For months, Mr. Carey had the campaign trail to himself while Teamsters board members bickered over who should be their standard-bearer. Union insiders say the political bloodletting on the board was unprecedented. "We are wallowing in heavy seas rudderless," wrote Jack D. Cox, a Teamster board member, in an Aug. 31 letter to Teamster President William J. McCarthy. "We've got to have new leadership—and soon."

Then, at a meeting last month in West Palm Beach, Fla., Mr. McCarthy became the Teamsters' first "lame duck" president. Moments after the 71-year-old chief tain told his board he wouldn't seek re

election, R.V. Durham, a board member from Kernersville, N.C., announced his candidacy. Running with him, he said, would be Weldon Mathis of Atlanta for the second-highest Teamsters post, secretary-treasurer. Mr. Durham wasn't named in the government's racketeering suit, but the suit had cited Mr. Mathis as a defendant and said his criminal record included convictions for possession of explosives.

Though Messrs. Durham and Mathis call themselves the "Unity Team," the Teamsters board remains bitterly divided. Five of the 18 members are expected to announce their own candidate soon. Two insider campaigns, labor experts say, could confuse members and help Mr. Carey.

The "Unity Team" touts its experience in running a huge, sprawling organization. Mr. Carey's 7,000-member local consists mostly of UPS workers, a rather narrow base in a union that embraces not only truckers but also teachers, hospital workers and many others.

Legal Maneuvers

Besides trying to beat Mr. Carey, the Teamsters leadership is fighting the election itself, in court. Since the racketeering settlement, the union has filed over 30 legal motions, 20 or so involving requests to delay some of the government's plans pending an appeal. In the past 20 months, Federal Judge David Edelstein in Manhattan has issued 16 opinions related to the motions, rejecting almost all of them.

The legal moves are expensive, but union dues pay for them, and local leaders hit up members for donations to fight Mr. Carey. Board members also can use the union's planes, a big advantage in such a far-flung union, and they control a monthly publication for members.

Meanwhile, Mr. Carey struggles. So far all his campaign has is $120,000 from members of his local, $30,000 raised at rallies, and $9,000 of his own money. Yet campaign m[illegible]d Burke estimates the race will c[illegible]illion, or about $1 a member. [illegible]e rest will be difficult. There w[illegible]y be no big fund-raisers, though actor Ed Asner and film director Oliver Stone have expressed interest in helping out, as has publisher Steven Brill, whose 1978 book "The Teamsters" includes a glowing chapter about Mr. Carey. But federal labor laws bar union candidates from accepting funds from employers, and case law defines employers strictly to include anyone who employs others.

So cheap means of communication are needed. Pro-Carey truckers use their CBs to get the word out. "There's a guy in Dayton who's recruited Carey supporters all over the country on his run from Ohio to the West Coast using that radio of his," says Mr. Burke.

Photographs Taken

In a sense, the low-budget campaign dovetails with Mr. Carey's message that he isn't one of the bosses. He notes that his union-local salary of $45,000 a year is less than the French chef's at Teamster headquarters in Washington—and far less than the $1.4 million that one Cleveland Teamsters official, Harold Friedman, made last year from his five union jobs.

So far, most fears about intimidation of Carey supporters haven't been borne out. But Mr. Carey worries that even the threat of firings could discourage members. Don Stone, who ran last year for president of Detroit Local 283 against George Vitale, a board member and convicted embezzler, recalls that dozens of would-be supporters were photographed as they left their cars to attend a Stone rally one night. "Unfortunately, it worked," Mr. Stone says. "A lot of people just walked right back to their cars." He adds that Mr. Vitale himself on two occasions photographed union members who refused to take "pro-Vitale literature."

Mr. Vitale comments, "I didn't know it was against the law to take someone's picture. . . . Besides, I've been exonerated by the Teamster board and by the U.S. Secretary of Labor for any allegations of wrongdoing connected with that election."

Then there's the possibility of violence. Last year, at Local 478 in Newark, N.J., Secretary-Treasurer Harry Serio publicized his plan to oppose the current president in a December 1989 local election. A few months before the vote, he was found murdered in the union hall. And four years ago in Queens, Bruno Bauer, a dissident Teamster in an allegedly Mob-controlled local, was shot execution-style while working the night shift at a trucking firm. He had recently complained to investigators about questionable activities at his local. Neither murder has been solved.

Mr. Carey senses that union members are afraid, and he isn't sure whether many of them care enough about change to overcome their fears, help in the campaign and vote. The rank and file were never asked to approve the court settlement that ushered in direct elections, nor have they been polled on their views of Mr. Carey or the incumbents.

"It will be difficult to get them to vote," says Gary Clark, a Detroit trucker and Carey supporter. "It's hard to vote when you've never seen anything happen, when nothing has been in your control."

But for now, Mr. Carey, after hitting the campaign trail for nearly a year, expresses some optimism. "If I can awaken the membership to the great wealth that exists in their own minds and souls and show them that money has been literally taken out of their pockets for years, I will win," he says. "And what we're seeing on the road tells me it's possible."

Past Teamster Presidents

JACKIE PRESSER (1983-88)
Indicted on charges of racketeering and embezzling $700,000 from a Cleveland local. Died in 1988 before trial.

ROY WILLIAMS (1981-83)
Convicted of conspiracy to bribe U.S. Sen. Howard Cannon of Nevada in 1982 and other charges, including wire fraud. Incarcerated from 1988 to 1989. Died in 1989.

FRANK FITZSIMMONS (1971-81)
Acting president, 1967-71. Never indicted on criminal charges. Closely allied with Detroit organized-crime family, according to the Federal Bureau of Investigation file on [illegible] Presser, a longtime government [illegible]ed in 1981.

JIMMY HOFFA (1958-67)
Convicted in two separate cases for jury tampering and for fraudulent use of Teamsters' pension fund. Incarcerated from 1967 to 1971. Disappeared July 30, 1975, after launching a campaign to unseat Mr. Fitzsimmons from the presidency and calling for an end to the leadership's ties to organized crime.

DAVE BECK (1952-58)
In a federal case, convicted of filing a fraudulent Teamster income-tax return, and in a Washington state case, convicted of grand larceny for stealing money from the sale of a union-owned Cadillac. Incarcerated in 1958. Pardoned by Washington governor in 1965 and by President Ford in 1975.

TOBIN (1907-52)
[illegible]ever filed against him

THE DENVER POST

Voice of the Rocky Mountain Empire May 20, 1991

Teamster for law, honesty, ethics

Presidential candidate makes vow

By Steve Lipsher
Denver Post Staff Writer

New York Teamster Ron Carey says if he's elected next December, he'll bring to the union presidency what four predecessors have not: honesty, ethical behavior and lawfulness.

Carey, blasting Teamster "dictatorships" in Denver yesterday on part of his national campaign tour, is "dedicated to cleaning up" the nation's largest union, which has seen four of its presidents indicted on charges ranging from embezzlement to fraud.

"In a sense, the thing that they have done has been in a dictatorship role," said Carey.

Despite ruffling the feathers of the union's old guard, the reform candidate has a real shot at winning in the first open election in the union's history.

As part of a 1989 out-of-court settlement in a federal racketeering investigation, the 1.6 million member union agreed to open its officer elections rather than appoint them through a secretive network.

Carey, president of a United Parcel Service local in New York City, addressed the charges of wrongdoing that have tainted the Washington, D.C.-based Teamsters, such as organized-crime links, nepotism and multiple salaries for union leaders.

"Are those the prerequisites, so to speak, for moving into leadership of this union?" he asked a group of about 70 truckers and freight handlers at the Embassy Suites Hotel. "I don't think so. . . . I've fought against the system because it's wrong. It isn't working for the Teamsters."

Carey called for nationwide increases in pensions, a system modeled after the one he set up in New York which provides $1,500 monthly to any Teamster who retires after 25 years of service, regardless of age.

He plans to install the first woman vice president, Diana Kilmury of Canada.

Carey also said he would immediately install an ethics panel that would review the conduct of any union officer and prevent the "corruption stigma" elicited by Teamsters bosses Jimmy Hoffa, Dave Beck, Roy Williams — all of whom served time in jail — and Jackie Presser, who was under investigation for racketeering and embezzlement when he died in 1988.

"They should lose their job," Carey said, "if they're caught with their hand in the cookie jar."

The Washington Post

SUNDAY, MARCH 11, 1990

Union Maverick Mounts Campaign to Win Control of Teamsters

By Frank Swoboda
Washington Post Staff Writer

NEW YORK—Ron Carey has what many say is a crazy idea. He thinks he can get himself elected president of the Teamsters and clean up the union.

In any other year, Carey could be dismissed as another Don Quixote tilting against the windmills of corruption in the nation's largest union. But this is not like any other year in Teamster history.

The Teamsters are under court order to hold direct, secret-ballot elections next year for top union officers—an election that is being set up and monitored by the federal government through special court-appointed officers.

"I have no doubt in my mind I will win this election," Carey said during an interview in the one-story beige brick headquarters of Teamsters Local 804 in Queens where he has reigned as president for the last 22 years. "I have unlimited energy and deep convictions. If I can reach the members, I can win their support."

But Carey admits winning will take more than energy and conviction. To have any chance of reaching the membership between now and the elections in the fall of 1991, Carey says he has to raise at least $1.6 million—$1 for every active member of the union—and set up a nationwide campaign.

Carey has hired Eddie Burke, until recently a top aide to United Mine Workers President Richard Trumka and a veteran of the coal union's election rebellion of the early 1970s. Burke has been charged with putting together Carey's national campaign strategy to recruit volunteers and raise money.

To date, Carey is the only candidate in the election campaign. But he said he expects 71-year-old Teamsters President William J. McCarthy to run despite his age and reported poor health. And Carey said he would not be suprised if others in the old guard Teamsters leadership run.

Since no one has ever run for a top office in the Teamsters in a direct, secret-ballot election, it is unclear how much rank-and-file support any of the top union leadership has. In past elections, top officers were elected in an open convention vote by delegates handpicked at the local union level.

Until now, Carey has confined his campaigning primarly to weekends, knocking on the doors of union halls and talking to Teamster members wherever two or three are gathered. Armed with a list of union hall addresses, he has been going to cities from Los Angeles to Cleveland, making what Burke calls "courtesy calls" on local leaders.

A second-generation driver for United Parcel Service (UPS), the 53-year-old Carey, has won a reputation both inside and outside the Teamsters as an honest, hard-working labor leader who runs a clean union in an area of the country where, according to the Justice Department, labor corruption is rampant.

He also has learned the penalties of speaking out.

As head of the biggest UPS local in the Teamsters, Carey has been highly critical of the national union leadership for its approval of what he calls concessionary contracts. As a result, he has never been appointed a member of the union's national bargaining committee with UPS.

Three years ago, he was so enraged by the terms of the national contract negotiated by the Teamsters that he successfully campaigned for rank-and-file rejection. When the national leadership then imposed the terms of the contract, citing a constitutional requirement for a two-thirds rejection vote, Carey sued the national union, which then shifted to a simple majority vote for future contract ratifications.

Having high visibility among the union's 140,000 UPS workers, approximately 10 percent of the union's membership, gives Carey a stable launching platform for his campaign.

A fastidious man—who lives in the same two-family house he bought 30 years ago and draws less salary than the French chef hired to cook at Teamster headquarters in Washington—Carey said his first priority is to rid the union of corruption.

"I'm angry and frustrated over the corruption issue," Carey said. "It's like an octopus."

But Carey will not publicly accuse any current union leaders of being corrupt. He will only say "there are clear indications corruption exists." He said he believes 95 percent of the members are honest and want change in the union.

"The first thing we have to do is win our union back," he said. Referring to the union's top leaders as "outsiders," Carey said the current national leadership acts "like this union doesn't belong to its members and that's what I'm trying to change. It belongs to us."

Carey said he believes "there are an awful lot of folks out there that do care" about changing the union, and by starting his campaign this early, he hopes to capture their attention and their votes.

Carey has already captured the endorsement of the Teamsters for a Democratic Union, a dissident group that for more than a decade has pushed for reform of the union.

Although happy to have the endorsement, he said he does not want to be seen as the candidate of the union's radical element. "I'm not a TDU member," he said.

Carey appears to have little in the way of a campaign platform beyond corruption. "I haven't formulated all sorts of positions," he said. "I'm going around getting ideas from members."

TEAMSTER PLAYER

Teamster Ron Carey: a regular guy who wants to make the powerful union more responsive to its rank and file

By David Moberg

RON CAREY "THE EARNEST LOOKING MAN WITH swept-back, graying hair tells the drivers waiting for their trucks to be loaded at UPS Freight Systems loading dock. "Get out of New York. Trying to change the direction of our union. I'd appreciate your help."

The wary Teamsters are friendly if not effusive. They've heard of Carey and they lean toward supporting him for president of the nation's biggest union in its first rank-and-file election of top officers. Then as he leaves one man cautions, "Just remember us when you win."

"Absolutely, buddy," Carey says with conviction.

Carey, the 54-year-old president of a 7,000-member Brooklyn local for the past 23 years, bases his election hopes on the large number of Teamsters who are convinced their current leaders have never remembered them. An honest, hardworking, democratic union leader who has consistently opposed contract concessions by top Teamster officials, Carey makes a simple pledge: he says he'll listen to and fight hard for union members.

After a decade of Teamster decline, as the rot of corruption and autocracy finally sapped the union's strength, such pure and unadorned unionism may seem revolutionary. With rank-and-file discontent building and the old guard leadership falling apart, Carey has a solid chance to win the powerful post of general president.

The catalyst for the union's growing democratization is the federally supervised elections of union convention delegates now underway. At the upcoming June convention, anyone with 5 percent or the nearly 2,000 delegates can be nominated for the members' direct, secret-ballot election of top union officers in December.

In March 1989 top Teamster officials entered into a consent decree with the federal government to resolve a federal Racketeer Influenced and Corrupt Organizations (RICO) lawsuit alleging mafia influence over the union. Rather than impose a trusteeship the government agreed to supervise union elections. That gave the indicted officers a reprieve but it also provided the reform-lavored by the leading opposition group, Teamsters for a Democratic Union (TDU). Nevertheless, the Teamster officials have since spent an estimated $12 million in a continuing fight to undermine election rules. But Teamsters will have a chance to decide on the future of their union, thanks to three vigilant court-appointed overseers and to pressure from union democracy groups.

Leadership from the trenches: In his crusade to change the union, Carey thinks his main hurdle is neither the incumbents' institutional power nor official intimidation. It's the apathy of members so alienated by years of neglect that they neither care what happens to the union nor dare hope for something better. So far, Carey has at least lit a few sparks of hope. As he got in the car to leave ANR, a woman from the office—braving a 30-below-zero wind chill without a coat—dashed through the snow to shake his hand. A big smile on her face, she told him, "You've got my vote."

The son of a Teamster, Carey started working for United Parcel Service (UPS) in 1957 after he got out of the Marines. In 1967 he was elected president of New York Local 804 on his third try, despite an attempt by UPS management to blackmail him out of the race. His straightforward democratic style of unionism has kept him in office ever since. Unlike many Teamster officials, 154 of whom paid themselves from $100,000 to $1.4 million in 1988 (often from multiple salaries), Carey makes $45,000 plus $11,000 to cover union expenses—less than the chef at Teamster headquarters, he notes. And, unlike most Teamster locals (or most locals of any union), the members elect the business agents and shop stewards at Local 804. Carey and his officers start each workday at members' work sites—mainly UPS facilities—before going into the office. "I'm a great believer," he says, "that you run the union from the trenches with the members."

Until 1979, when the Teamster leadership insisted that he negotiate with other UPS locals, Carey fought for contracts that he can still tout as examples of leadership. For example, his campaign repeatedly emphasizes the attractive pensions Carey has won for his members—$1,500 a month or more after 25 years' work. Once offered a national negotiating position, Carey turned it down because he would have had to muzzle his own views. Instead he has led opposition to contract givebacks and undemocratic contract ratification rules. In 1987, after a majority of UPS workers and freight drivers rejected their contracts, he sued the union to invalidate its requirement that a contract could be rejected only if two-thirds of members voted against it. In 1988 the Teamsters' executive board abandoned that policy.

That year Teamster President Jackie Presser died. An FBI informer with mob ties, Presser never made it to trial on embezzlement charges. He was the fourth of the last seven Teamster presidents to face federal indictments. In a close vote Vice President William McCarthy from New England defeated the heir apparent, Secretary-Treasurer Weldon Mathis. It was the beginning of more than two years of intrigue, reprisals and shifting alliances at the top of the union.

Deregulation of the trucking industry, recession and the union's own internal weakness reduced the Teamsters from 2.3 million to less than 1.6 million members over the past decade.

During that same time, the union delivered weaker and weaker contracts that were riddled with crippling loopholes and concessions. Workers were coerced into poorly designed employee stock ownership plans and profit-sharing arrangements to bail out employers, many of whom went bankrupt anyway. The union was increasingly reluctant to fight for workers' grievances; safety deteriorated; low-paid, part-time work and two-tier wage agreements became common in Teamster contracts. The vote totals against contracts kept rising, spurred on in large part by the effective organizing of TDU, a rank-and-file caucus formed in 1976 that now claims about 10,000 members (and whose development is well chronicled in journalist Dan La Botz's lively new book *Rank-and-File Rebellion*).

While TDU was pressing for democracy and better contracts from below, the federal government was attacking the top leadership for their ties to organized crime. Former President Roy Williams, convicted of conspiracy to bribe a U.S. senator and other charges, admitted that he had always acted under the influence of Kansas City mafia chief Nick Civella.

Divisions at the top: After signing the consent decree Teamster leaders became increasingly ineffective—wary of the election they would face preoccupied with fighting the rules drawn up and diligently enforced by court-appointed election officer Michael Holland, and distracted by their own internal squabbles. In 1989 the union leadership negotiated a new UPS contract that sugar-coated major concessions on work rules with a wage increase. After negotiating the contract, however, Teamster leaders urged workers to vote "no." Simultaneously they warned that a job-threatening strike would immediately ensue if it was turned down. Thus officials used the prospect of a strike not to threaten UPS but to intimidate the members into shouldering responsibility for the contract by accepting it—and then only by a narrow margin. The leaders' duplicitous moves were designed to evade growing rank-and-file wrath. Similarly, after years of opposing any union reform, some top officials last fall started saying they would support continued direct membership election of officers and even creation of an ethics committee.

Clearly they were trying to escape from their own record. President McCarthy, who had been expected to run for re-election, grew increasingly unpopular. He decided to defer to Vice President R.V. Durham of North Carolina, one of the few members of the TDU-cliique not named in the federal RICO suit who teamed up with Mathis, McCarthy's one-time rival. Then Vice President Walter Shea, for 24 years the top aide to Teamster presidents, announced his candidacy and was joined by McCarthy. He joined forces with Chicago Local 705 President Dante Lieurouis, whom McCarthy had earlier removed as president of the Central States conference, as candidate for the second spot. Lou Ridge, a local official from California, a fourth announced candidate.

The divisions at the top give Carey a better shot at the presidency, but his campaign direction is unaffected by the palace intrigues. "We decided we weren't running against any of the top Teamster leaders," explains campaign manager Ed Burke, a former Nineworker who served as a field organizer for the celebrated Pittston strike and is a veteran of union democracy movements. The miners' union "We were running against the apathy bloc. We didn't care who it was running this week."

At first the Teamster leadership dismissed Carey as an inconsequential local leader incapable of running the huge union. Then they stepped up their attacks, often using anonymous smear sheets traced to a former LaRouche disciple, Richard Leeboy, who had earlier attacked dissidents on behalf of Presser. The character assassination is designed to make alienated Teamsters think they have no real choice. "This stuff is about driving the apathy bloc away," Burke says, "so they will say, 'Here we thought we had a good guy, and he's just the same as the rest of them.'" The anonymous leaflets and rumors are indiscriminate in their attacks on Carey: he's variously a crook, a communist or a tool of big business.

To get members to know he's not "a monster with horns," Carey spends virtually every weekend on the road. Since he announced his candidacy in the fall of 1989 he has visited 40 states. But pressing the flesh isn't an easy way to reach members; many Teamsters work in small shops, truckers are widely dispersed and odd shifts and part-time work complicate making contact. As Carey spends a day driving around the loading docks and truck "barns" near Chicago, he often ends up meeting Teamsters in groups of two or three, even stopping to shout to a trucker stalled in the street. But these personal contacts can pay off when members have never even seen a local official visit their workplace, meeting a candidate for president of the union means a great deal. As the high-

mobile truckers traverse the country, they spread literature across bulletin boards and truck stops and talk late at night about "this guy from New York, Carey" on their CB radios.

Early on, Carey picked up support from TDU and from several statewide organizations of Teamsters fighting for better pensions. Though Carey never belonged to TDU, their goals were often similar. Teamster leaders try to link Carey to what they've portrayed as the radical, anti-union TDU. Carey walks a fine line to establish his independence: he reminds members he's "not TDU" but also told a rally, "God bless TDU for their support." His network of supporters has clearly multiplied quickly beyond TDU and other groups: in eight weeks they collected 62,000 signatures (more than the 38,000 needed) to make Carey the only fully accredited presidential candidate, and thus the only one able to run ads in the union magazine. Shea and Ligurotis tried to gain accreditation, even giving away free hats, but failed to qualify. When Carey added four candidates to his slate last fall (including the first woman to run for vice presidency of the union, which has nearly 30 percent female membership), supporters got another 52,000 signatures in four weeks.

A forceful public speaker, his voice filled with sincere outrage when he catalogs the travails of the Teamsters, Carey is low-key and modest in his personal encounters—a direct, ordinary guy, not a charismatic figure. Members "don't see some intellectual guru," Burke says. "They see someone who's going to tell the employer he's full of shit." Carey conveys an image of unprovocative toughness. He doesn't shirk from rough situations. He solicited support from local officials at the start of his race but warned that he would not hesitate to campaign for slates of opposition delegates in their backyards. Greeting UPS workers as their shift changed, Carey went out of his way to meet a thuggish union steward who had the previous week attacked one of his delegate candidates with a club and hurled racist epithets during a meeting of Ligurotis' Local 705.

At the Chicago Roadway barn, Carey chatted with Joe Smith, a truck driver for 31 years. "So you're Ron Carey," Smith said. "You've got a lot of support. It's bad, what's going on now in the union."

"People feel suppressed about their feelings," Carey replied.

"I'm glad to see the election coming, so we'll be able to voice our opinion," Smith said. "Maybe we'll shake the bushes..."

"...and see what falls out," Carey continued.

"It's always good to see new blood," Smith said. "We've been declining year by year. We're looking for support from our union. We're tired of having [the union officials] say, 'Be glad you've got a job.'"

Closing the country club: Carey says he wants to end such chilling responses to members' grievances and eradicate the "country club" atmosphere of Teamster officialdom—in which union leaders treat the organization as a personal gold lode to be mined by them and their families. But "corruption is not just getting your hand caught in the mousetrap," Carey says. "It's not serving the members. It's horsetrading grievances. When members aren't given the right to speak out, that's corruption."

After explaining how Teamster officials dispose of grievances as favors for management and make it hard for workers to attend grievance hearings, Carey met two drivers from Denver at Northwest Transport. The men said their local conducted its grievance panels in Cheyenne, Wyo., and had lost 50 of the last 51 cases. "We need something," they said.

Teamster members "feel the union is not working in their interest," Carey says. "They see contract concessions. Corporations are always getting their way. The unions are supposed to be a voice, but that's lost. Unions aren't doing what they were supposed to do—servicing members, being the voice people need, getting decent legislation. How do you go to employers and make it clear that if we don't get a good contract, we'll go out on the street and earn it, if you don't have a long-term strategy? The corporations know you're weak, and they take you on. The people who've run this union have done a lousy job. They've tolerated corruption. They've looked the other way. They just thought they could do anything they want. Now they talk about an ethics committee and direct elections. These guys were in there: why didn't they do it all along?"

Three years ago the secretary-treasurer of Carey's local, a longtime ally, was indicted on charges of taking a kickback of $2,000 for making an unauthorized investment of union funds. Carey investigated. Five months later he demanded that the official either resign or face union charges. The secretary-treasurer quit and was convicted, although the verdict was later overturned. "What have they done?" he asks about the top Teamsters. "If somebody gets in trouble [with corruption or crime], they don't get him out [of the union]."

While Carey supports a strong Teamsters ethics committee to root out the union's mafia ties, he says he also wants to get the government out of running the union. "I'll take advantage of the opportunity for direct elections," he says, "but I don't think the government really cares about having a strong, effective Teamsters union."

Carey says his top priority as Teamsters president would be for him and his new officers to spend as much time as possible talking with the members. Then he would shift union resources into organizing to regain strength in industries—such as trucking—that have become increasingly non-union. But to organize, he says, "we have to have something to sell. We haven't had anything." Indeed, he says, many of the non-union truck drivers are former Teamsters who are so bitter about the union that they are hard to organize.

No concessions: To win decent contracts, he argues, the union must recognize that "we don't make decisions about how to run the business. The company makes them. The union has to take the tough postion and say, 'No matter where you are, there aren't concession agreements.'" Too often, he argues, concessions "just give employers the money to get out of the business."

The whole labor movement suffers from current Teamster leadership's "weakness of character, weakness of accomplishment," Carey says. "It's afraid to get out and rough it up a bit. We've become corporate unions. They [top Teamsters] want to play golf with corporate America. I think you have to take some chances, to show your members and the labor movement that you're willing to take things on. The Teamsters should not just be in the crowd. They should be leading the crowd. That's how you can reach out to other unions. I think crossing another person's [bona fide] picket line is disgraceful. That's wrong. And with only 16 percent of the labor force organized, raiding doesn't make sense."

Many strikes in recent years have failed when they might have otherwise succeeded if Teamsters had respected picket lines. Obviously, if other unions can count on Teamster cooperation in the future, overnight the big union would be converted from a labor liability to a powerful asset.

Carey was inspired by the Pittston coal strike: "I was really impressed with the way the whole strategy was laid out, with how the staff and members meshed together like a team. There were no differences among them. I was impressed with how they worked the community, how going to jail wasn't frightening to them." By contrast, Carey attended a Teamster meeting at Hilton Head, S.C., after one of two visits with the Pittston strikers. At the Teamster meeting, a section at the evening banquet was roped off for the elite so they wouldn't have to mix with even lower-ranking officials.

Back to the grass roots: No political leftist, Carey would at least shift the Teamsters out of the Republican camp toward mainstream Democratic politics. He says he would emphasize labor-related legislative issues such as restricting replacement workers and providing national health insurance—although he has not decided between the Canadian-style model favored by most industrial unions and revisions of the current system.

He would tap the experts from the rank and file to serve as pension-fund trustees. He argues—from his own experience—that pensions could be increased with more vigilant oversight of existing funds.

Having started early to build a grass-roots network, the Carey campaign is now targeting 118 of the 635 local union races for delegates. Durham and, to a lesser extent, Shea will be able to use the international union's staff, officers and resources—such as travel on ostensibly union business—to raise money and run their campaigns. By contrast, Carey started with $150,000 raised from

Continued on page 22

Teamster

Continued from page 13

members of his own local. He has since raised another $50,000 primarily from rank-and-file union members. Burke thinks they will need roughly $750,000 for the entire campaign, which amounts to about half of original estimates.

By mid-February, with roughly one-third of the delegates elected, Carey had won 86 of the 98 delegates he'll need for nomination, including clean sweeps of big locals in Miami, Minneapolis, Sacramento and even Durham's home local in Charlotte. There Durham's son, caught handing out anonymous smear sheets against Carey, received the lowest tally of candidates for delegate on the ballot.

The signs of rebellion had begun to surface even before the delegate races. TDU and other democratic dissidents have been winning more local elections in recent years, including a stunning 1990 defeat of Secretary-Treasurer Weldon Mathis' son as president of Mathis' own Atlanta local union. In some races this year, Carey delegate slates lost by narrow margins but established a strong base for the next round.

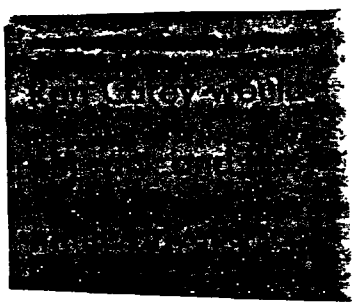
Losing through intimidation: There are persistent fears that violence, which has intimidated or killed Teamster dissidents in the past, will strike Carey or his supporters. At one point as he traveled around Chicago, two cars driven by men identified as Teamster business agents positioned themselves in front of and behind his car in what Carey dismissed as "comic book" intimidation.

Carey supporters report that officials warn them that opposing the leadership would not be in their best interest. Entrenched local leaders have also assessed mysterious unpaid dues on Carey's supporters (that could disqualify them as voters or candidates), blocked access to members (while campaigning against Carey on their jobs) and made outright physical assaults on dissidents.

While election officer Holland and his army of local attorneys are busy investigating such charges, Charles Carberry, another court-appointed special investigations officer, has brought charges against 74 union officials. Administrator Frederick Lacey has removed from top union positions or blocked appointment of three of those officials for their links to the mob.

Yet on the docks and in the warming rooms, stewards still create a climate of fear, distrust and intimidation. A Yellow Freight dockworker for 10 years, Paul, who wouldn't give his last name, felt it was "time for changing the guard" but was reluctant to speak out. Paul says his steward had told him, "If you support Carey, don't ever come to me for help." But that argument loses force as the union does less and less for its members. "We don't get satisfaction on anything," complained Jim Burgert, another Yellow Freight dockworker. "They [the incumbents] say, 'Vote for me,' and then they say they can't help me."

Carey's message thus strikes a chord with many disgruntled Teamster members, such as the 250 who gathered one recent Sunday morning in a Chicago suburb, when he told them, "I'm not an outsider. I'm an insider. I've been there for almost a quarter of a century. I've been re-elected over and over. I think I've got the right stuff: think of the members first." □



Teamster crusader brings his message to B.C.

By VALERIE CASSELTON
Sun Labor Reporter

He may not have time to press the flesh with all 20,000 B.C. Teamsters, but union presidential hopeful Ron Carey is spending two days with rank-and-file members to spread his anti-corruption message.

Carey is a reform candidate hoping to win the presidency of the 1.5-million-member international Teamsters Union in its first-ever secret membership ballot later this year.

The election was ordered by the U.S. government as part of a 1989 out-of-court settlement between the U.S. justice department and the union on the eve of a racketeering trial for top Teamsters.

"This union has drifted away from what a union is all about," Carey said in an interview Friday. "The leadership is concerned about themselves, their salaries and luxury pensions, not about the membership."

As proof of charges that a fat-cat apathy dominates the union, Carey points to the moribund state of union organizing, which has cost the Teamsters more than 700,000 members in 10 years.

"We've lost the confidence and respect of our union members, so how do we expect to get more members?" said Carey.

The 54-year-old president of Teamsters Local 804 in New York is campaigning to revitalize union organizing, clear backlogs of grievances, become more aggressive in contract negotiations, cut union executive salaries and limit the number of pensions officers can draw.

"There are 153 officers who make over $100,000 a year," he said, noting that some have netted more than $1 million annually.

"That's the problem, the (U.S.) government is in there today because the leadership wraps itself in the cloak of leadership, but hasn't had the guts to deal with the corruption problem," said Carey, whose own pay is $45,000 a year.

Asked if there was corruption among Teamsters in B.C., Carey said: "I don't know that there is."

Carey was escorted to Teamster workplaces to meet members by reformers who back his candidacy. And although he met Friday with Don McGill, president of the 10,000-member Local 213, he had not been invited to B.C. by the executive of any of the province's four union locals.

That indicates "it's an uphill battle," he said.

McGill said it is difficult to assess Carey on a first meeting.

"Everybody is tuning in on what is happening on the international level and paying close attention," he said.

Included on Carey's slate as a vice-presidential candidate is Vancouver Teamster Diana Kilmury.

"That's a first in the history of the Teamsters union, that there has ever been a woman candidate — and 30 per cent of the Teamsters are women," said Carey.

Members Reforming Teamsters

Upcoming Election Is More Democratic

By Philip Dine
Of the Post-Dispatch Staff

When New York Teamster Ron Carey was in town recently to shake hands at truck stops and union halls in his maverick presidential bid, a big man kept an attentive eye on Carey's every move.

"You just don't know how nasty this thing's going to get," said Dennis Skelton, a local truck driver ready to use his 6-foot-8-inch, 320-pound frame to protect Carey.

Few actually expect violence to intrude on the union's electoral process, but Skelton — a dissident Teamster versed in the union's history toward reformers — was taking no chances.

For the International Brotherhood of Teamsters, the nation's most storied labor union, is entering an unprecedented period of change.

Men long used to giving unchallenged orders are now struggling to keep power, scrambling for votes from the 1.6 million Teamsters in the first rank-and-file election in the union's 88-year history.

"These are dramatic events, without question," said Harley Shaiken, a labor expert at the University of California at San Diego. "I think it will mean a major opening and democratic movement in the Teamsters Union."

Rank-and-file voting for delegates to the union's nominating convention in June already has eroded the grip on power of some Teamster officials at locals here and around the nation.

For the first time in the two decades Ron Gamache has led Teamsters Local 688 here, he will not be a convention delegate. His members rebuffed him, giving dissident candidates a sweep of the local's 14 seats. Local 688, with 11,000 members, is the largest in Missouri.

At the same time, Missouri Teamster chief Bob Sansone — long viewed by some as an up-and-comer — may be on the verge of becoming an international vice president. He would be the first St. Louisan in that office since Harold Gibbons died a decade ago.

The election will climax in December with a nationwide mail vote. At stake is control of the nation's most powerful labor union, survival of careers long in the making and, to an extent, the direction of the U.S. labor movement.

Once a near-impenetrable fortress manned by a curious mixture of charismatic working-class leaders and labor strong-arms, the union's rulers are splitting into competing groups and arguing publicly.

Six presidential hopefuls have emerged, with three having put together slates of running mates for top union spots.

The name of one contender — James P. Hoffa — conjures up the mystique of the union's blend of macho strength and unsavory relations. Hoffa, son of the legendary Teamster leader Jimmy Hoffa, is struggling to establish his legal right to run. He has been an active Teamster less than the required two years.

The union has used its strength in the past to negotiate groundbreaking national contracts but also to combat insurgents within the Teamsters ranks — especially the Teamsters for a Democratic Union. Disruption of the dissident group's conventions has ranged from picketing to the busing in by former General President Jackie Presser of eager Teamsters to beat up dissidents.

The weekend of Oct. 25, a few weeks before the national election, the group will convene in St. Louis for the first time. "The timing couldn't be better, for building up to the election," said Ken Paff, national organizer for the dissident group based in Detroit.

The rank-and-file election was part of the settlement of the government's racketeering suit against the Teamsters a couple of years ago in which the union was charged with being influenced by organized crime.

From page one

Teamsters

Wendi Brown/Post-Dispatch

Ron Carey (left), a contender for president of the Teamsters Union, sitting with St. Louis Teamster Dennis Skelton.

In few places around the nation has the campaign aroused more intense interest than right here. The presence of nearly 250,000 Teamsters in Missouri and Illinois means about one of every six Teamsters in the United States and Canada is from the bistate area.

Local Struggle

In the past, Teamsters officials decided behind the walls of the Marble Palace — the union's headquarters in Washington — which candidates to present to the convention for election.

Rank-and-file votes, campaigning, secret ballots all were foreign to the process. Dissidents calling for them were branded as socialists by Presser.

Aspiring leaders did their politicking behind closed doors with the 21-member General Executive Board, which put its blessing on candidates for general president and secretary-treasurer, the No. 2 job.

Once approved by the board, candidates were anointed by delegates at the Teamsters convention, which meets every five years. The delegates were selected by virtue of their jobs as Teamster officials at locals nationwide.

Changes ordered by the government have opened up the process to the extent that six Teamsters are competing publicly to head the union.

They are: R.V. Durham of North Carolina, Walter Shea of Washington, Ron Carey of New York, Lou Riga of California, William Genoese of New York and, if he is deemed eligible, Hoffa of Detroit.

To be on the December mail ballot to the rank-and-file, a candidate must be nominated at the convention in June. For the first time, delegates will nominate, not elect, and will do so by secret ballot.

In another key change, the 1,942 convention delegates are being elected at each of the 662 Teamster locals by the members. The tremors of the national campaigns are being felt at the local level, producing an initial wave of change within the union.

One example is Teamsters Local 688 here, where a Carey slate critical of established Teamster leaders swept the 14 delegate slots. The insurgents more than doubled the votes of the slate led by Gamache.

Gamache blames a low turnout — only 2,164 members voted, less than 20 percent — for the "fluke." But some of his allies say privately he believed he was a "shoo-in" and failed to campaign.

At Local 682, Sansone and his top officials were unchallenged for the local's three delegate slots.

At two other large locals here, longtime officials and insurgents did battle. The slate of Local 618 leader Bob Miller won all six spots, campaigning vigorously to beat back a challenge. But at Local 600, insurgents captured four of the five delegate positions, with only a win by local President Bobby Robertson preventing a sweep.

St. Louis' 40,000 Teamsters, with their willingness to weigh establishment and dissident views, have made the area a key national battleground.

To Gamache, the tide poses dangers. "You still have to run unions with one person in charge," he said.

But Skelton, a Yellow Freight driver and the top delegate vote-getter at Local 600, complained by telephone on a recent haul back from Oklahoma City that Teamster leaders "have lived too good for too long, and we've just taken what they've given us."

Reformer Slate Prevails In Charlotte Teamsters' Delegate Vote

CHARLOTTE NC 2-6-91 CHARLOTTE OBSERVER

By JOSEPH MENN
Staff Writer

Charlotte's 3,408-member Teamsters local has elected a slate of reformers as its delegation to the union's national convention, a federal election monitor said Tuesday.

The three weeks of balloting proved a setback for R.V. Durham of Greensboro, the favorite to win election as president of the 1.6 million-member Teamsters union. Local 71 members passed over Durham's son and other Durham supporters in favor of delegates backing Durham rival Ron Carey.

Election monitor Griff Morgan of Winston-Salem said individuals who promised to work for Durham — including local recording secretary Ralph Durham and three other officers — received between 480 and 526 votes apiece. Votes for members of the Carey slate ranged between 854 and 883, and three independent candidates received 35 to 51 votes. Total turnout was 1,553.

Local 71 members work for Yellow Freight System, United Parcel Service, Consolidated Freightways and more than 20 other employers.

Carey

"The first thing we're doing is working for Ron Carey," said new delegate Mark Franks, a UPS driver and member of the Detroit-based dissident group Teamsters for a Democratic Union.

"We also want to work to ensure the right of the rank-and-file to vote for the top leaders and eliminate some of the multiple salaries, pensions and expenses" of the national leadership, he said.

The June convention in Orlando, Fla., will consider changing the union's constitution and nominate candidates for its national offices.

R.V. Durham, who is both president of the Greensboro Teamsters local and a vice president of the national union, faces several opponents for president of the International Brotherhood of Teamsters, including Carey, a New York local's president supported by reformers and dissidents.

Candidates getting at least 5% of the vote from convention delegates will win spots on the ballot to be mailed in December to every Teamster. Under the arrangement with federal prosecutors, it will be the first rank-and-file election in the history of the International Brotherhood of Teamsters.

Local 71 President Conrad Sides, who was defeated for delegate, said the Carey candidates succeeded by linking local officers with the Teamsters establishment.

"They beat us badly," Sides said. "I was surprised at the margin."

Ralph Durham also blamed the national election for his loss. "It's a very difficult blow for us," he said. But he said he still feels confident his father will prevail.

Teamsters for a Democratic Union organizer Ken Paff also said he was surprised.

"That's Durham's home territory. I'm sure that's aggravating to him," Paff said. R.V. Durham could not be reached for comment Tuesday afternoon.

His 8,000-member local, the largest in the Carolinas, will elect convention delegates in March. Two other locals also have yet to pick delegates, and two more already have done so.

A Hickory local elected two independent delegates, and a Taylors, S.C., local defeated Carey supporters, picking two members of a "Clean International Brotherhood of Teamsters" slate, Morgan said.

THE WALL STREET JOURNAL

TUESDAY, MAY 28, 1991

TEAMSTERS CAN'T VOTE down election reforms at convention, judge rules.

U.S. District Judge David Edelstein of Manhattan ruled that delegates to the Teamsters' convention on June 24 do not have the authority to vote against government-mandated amendments to their constitution. The amendments are provisions of the 1989 consent decree settling the government's sweeping civil racketeering suit against the union's leadership. They mandate, among other things, the union's first direct election of top officials, which is scheduled for December.

The judge issued the ruling after prosecutors told him that they believed some Teamsters were planning to undermine the secret-ballot election by encouraging delegates to vote down the election provisions. If that happened, prosecutors argued, the union would revert back to its old ways and allow delegates, rather than the union's 1.6 million members, to choose new leaders. The government's two-year effort to bring democracy to the union would also be sabotaged, the prosecutors contended.

"I remind the [union] that it voluntarily agreed to the decree, and with it free rank-and-file elections," the judge wrote in his opinion. "The past two years have demonstrated that the [union] had no intention of living up to its end of the agreement."

The ruling has enraged some Teamsters because the judge ordered that the provisions of the consent decree will become part of the union's constitution no matter how the delegates vote. Some Teamsters complain that in the process of bringing democracy to the union, the judge is thwarting the democratic process. The delegates, they argue, were elected by the membership and should have the authority to vote however they please.

"It's the imposition of democracy by non-democratic means," said Christopher Scott, campaign director for R.V. Durham, a Teamster board member who is running for union president. "We'll look like a pre-glasnost Soviet parliament."

The Teamsters' executive board has appealed the ruling and the federal appeals court in Manhattan has agreed to expedite its decision.

* * *

6/7/91 NY Times

Teamsters Ordered to Allow Reporters Inside Convention

By CONSTANCE L. HAYS

A Federal judge yesterday ordered the International Brotherhood of Teamsters to allow reporters and television cameras at its convention later this month, responding to a request by CBS to film a "60 Minutes" segment there.

Legal experts said the unusual decision, which appears to broaden press freedoms where private organizations are involved, should be considered a special case, since the teamsters are under court-ordered supervision for some of their activities, including elections that are to be held at the convention.

"No one should be looking at this decision and saying that the press should be allowed into every union election now," said a spokesman for the American Civil Liberties Union, Philip S. Gutis. He added that the court-ordered supervision "makes this a different situation from any other union election."

Judge Infuriated

The teamsters agreed to supervised elections as part of a 1989 settlement of a civil racketeering suit brought by Federal prosecutors in Manhattan. The Government had sought to remove national union officials from power, but settled for policing corruption in the union and major changes in the way elections are held. This year, rank-and-file members will vote by secret ballot for their candidates. In the past, union delegates, who were also the local union officers, would choose the national officers.

When a lawyer for the teamsters, Denis King, asked Judge David N. Edelstein to stay the order pending an appeal, the judge, clearly infuriated, replied: "I will stay nothing. I believe that the union and the public have the right to know" what takes place during the convention.

Mr. King indicated he might appeal the order, but then said his clients would try to negotiate an agreement with Michael Holland, the court-appointed administrator overseeing the elections.

After the hearing, another union lawyer, James Grady, described a plan the union had devised on its own, in which television cameras would record proceedings in certain areas of the convention, to be held in Orlando, Fla. Copies of the tapes would be made available to reporters, who would have free access to the sidewalks outside the convention, as well as the hallways, but not to the rooms where people would cast their ballots, he said.

Judge Edelstein called for "sunshine and openness" to infiltrate what have historically been secret proceedings. "This convention is of historic magnitude," he said, "a critical element of the first secret-ballot election in the sordid history of this union."

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WALL ST. JOURNAL 6/12/91

Teamsters Remains a Mighty Force in Business And Politics Despite Many Apparent Setbacks

By Ann Hagedorn
And Albert R. Karr
Staff Reporters of The Wall Street Journal

Battered but surprisingly unbowed, the International Brotherhood of Teamsters approaches its first national convention under government supervision with much of its fabled clout intact.

On the surface, the Teamsters union looks like a has-been. Trucking deregulation and an increase in non-union truckers have diluted the union's once-startling power to halt interstate commerce in a single strike. The deaths and indictments of top officials over the past decade have destabilized its leadership.

The union's membership has fallen to 1.6 million members from 2.2 million in 1978. And now the Justice Department has put a clamp on union independence under terms of a civil racketeering settlement designed to eliminate mob influence on union officials.

Nonetheless, say labor experts, the union remains a mighty force in U.S. business and politics. And, they say, the union's government-mandated direct election of top officials—in a process that takes shape at the union convention later this month—could strengthen the Teamsters by bringing consensus to the leadership for the first time in more than 10 years.

"The combination of deregulation and inner turmoil makes the Teamsters' effectiveness much less apparent," says William Curtin, a Washington, D.C., lawyer at the firm of **Morgan, Lewis & Bockius**. "But it means only that they are just a little less powerful than the very powerful union they once were."

While the number of Teamsters strikes has dropped in the past decade, Mr. Curtin and others stress that the standards for measuring a union's strength have changed. Political clout, they say, is more effective than fist-slamming threats of strikes or reminders of past walkouts. "In 1991, more than ever before, strength is measured less by how much hurt a union can inflict on the marketplace and more by its abilities to deal with employers and labor matters through the legislative process," says Mr. Curtin.

The union's political influence received a big boost in 1983 when then-Teamster president Jackie Presser urged members to begin $1-a-week contributions to the union's political action committee, known as DRIVE, or Democratic Republican Independent Voter Education Committee. By 1985, the flow of money that followed turned DRIVE into the richest PAC in the nation, a distinction it still holds.

In the 1989-1990 election cycle, the union raised $10.5 million, almost double the collections of the American Medical Association's PAC, the nation's second largest. And in the same period, DRIVE spent more than any other PAC—$10.6 million, nearly double the amount of the No. 2 spender, the National Association of Realtors' PAC.

The political contributions appear to have paid dividends. Earlier this year, for example, the union successfully lobbied the Senate and House Democratic campaign committees to stop using non-union **Federal Express** for overnight deliveries, in favor of **United Parcel Service**, the Teamsters largest employer. "When they choose to make themselves felt, they certainly can," says Rep. Marcy Kaptur (D., Ohio).

And while the union failed to block the government from bringing its massive antiracketeering lawsuit in 1987, PAC contributions to legislators and presidential candidates helped generate some strong opposition. The union persuaded more than half the House of Representatives to sign a letter urging the Justice Department not to file its suit; of the 253 House members who had received money from the Teamsters since 1983, 185 signed the letter. The union also drummed up support from four presidential aspirants—Republicans Jack Kemp, Alexander Haig and Democrats Jesse Jackson and Paul Simon—to speak out against the government's attack on the union.

While the Teamsters union flexes its political muscles nationally, its locals also have been gaining autonomy and strength. Says H. Thomas Felix II, a lawyer in Philadelphia who represents 30 companies in negotiations with the union: "The Teamsters remains an extremely powerful union but the base of power has shifted from the national level, where it was more visible, to the locals. You want to take on a Teamster local, you are taking on World War III."

In state legislatures and on city councils nationwide, says Mr. Felix, Teamsters locals have become sophisticated lobbying forces. The 140,000-member Pennsylvania Conference of Teamsters, for example, typically raises its own PAC funds of more than $800,000 annually. Among other causes in recent years, it has lobbied against a big push in Pennsylvania for the appointment of judges. So far, Pennsylvania judges are still elected—and thus remain dependent on campaign contributions.

Economically, trucking deregulation loosened the union's grip on the marketplace but only slightly diminished its power, say labor experts and management lawyers. Prior to deregulation in 1980, almost 300,000 trucking industry workers—including drivers, mechanics and dock employees—were Teamsters represented by one collective-bargaining agreement, known as the National Master Freight Agreement, or by contracts linked to Master Freight.

Today, after deregulation forced many of the big unionized trucking companies to fold and shifted much of the business to non-union truckers, only about 160,000 of the nation's truckers, or between 5% and 10%, are Teamsters, most of whom are represented by Master Freight or linking contracts. **Yellow Freight**, a large trucking concern, now has a separate Teamsters contract.

Nonetheless, deregulation didn't devastate the union's power, in part because the union still controls 65% to 70% of the "less than truckload" shipments.

Also, labor experts add, deregulation, which spawned hundreds of new companies, boosted the union's negotiating power because truck companies now fear loss of business to other truckers.

One corner of the marketplace where Teamsters have considerable clout is the package-delivery industry. At UPS, which delivers almost 12 million parcels a day, there are 160,000 Teamsters, all represented by a national contract. The company handles nearly 20 times the package volume of the U.S. Postal Service and has clients in every industry. And the union's power is increasing as businesses, in an effort to contain costs, turn to "just-in-time" inventory—that is, ordering on demand.

A Teamsters walkout would effectively halt the nation's package-delivery system. "UPS has a stranglehold on the marketplace. A strike would be devastating to the company and to the national economy," says Walt Mitchell, president of **Zone Skip Inc.**, a private carrier in Paramus, N.J. "There's no group of carriers that could fill the void."

In bargaining, the Teamsters, like other unions, have been unable to gain the hefty wage increases they achieved in the 1960s and 1970s. Concessionary bargaining became a way of life in the 1980s and givebacks weakened the Teamsters' image.

But labor experts say that today the union's bargaining power is rebounding. One factor is a 1988 change in the union's constitution allowing a majority of the membership, rather than two-thirds, to reject a contract. Effectively, this means companies have to give more because employees can more easily turn down their offers.

William Legg, a trucking analyst at the Baltimore securities firm of **Alex Brown & Sons Inc.**, cites the Teamsters' three-year contract with the trucking industry, ratified last month, as a sign of growing Teamsters strength. It was "a relatively even contract," he says. And for the first time since 1979, there weren't any concessions.

Each year since 1986, Teamsters membership has inched upward, and has spread into unlikely arenas, largely due to vigorous activity by locals. Librarians at the University of Chicago, school principals in Philadelphia, and even Mickey Mouse, as well as other Disney characters at Disney World, are Teamsters union members now.

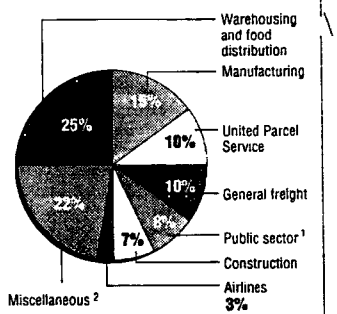
On June 24, the union's top leaders, the government's court-appointed overseers and thousands of Teamsters will gather in Orlando, Fla., for the first democratic convention in the union's history. There, delegates, elected by the rank-and-file this year, will nominate candidates for the union's first direct, secret-ballot election in December. If the democratic process can bring unity to the union's leadership, say labor experts, the Teamsters will be stronger than it has been in at least 15 years.

Board member R.V. Durham, of Greensboro, N.C., running for union president, says that the government's intervention "certainly has had its disruptive effects. In the long term, however, it's going to make us a much stronger union."

Mr. Durham is backed by Teamsters president William J. McCarthy. The four other declared candidates for the union's top post are: Walter Shea, another board member, from Washington, D.C.; Ron Carey, a Teamsters reformer from New York who runs the union's largest UPS local; William Genoese, head of a New York local; and Lou Riga, head of a San Jose, Calif., local.

James P. Hoffa, the son of former Teamsters chief James R. Hoffa, wants to run, but earlier this year the government said he was ineligible because he hadn't been a union official long enough. The senior Hoffa vanished in 1975. There is much speculation that his son, an attorney, will try to override the government's objections to his candidacy by drumming up sufficient support for his nomination from delegates at the convention.

Membership Rolls
1991 Teamster union membership by industry category



[1] Includes teachers, firemen and police officers
[2] Includes bakery, brewery, soft drink, dairy, laundry, and newspaper industries

Carey Wins Good, Early Pensions For Members

When 47-year-old Jim LaRocco decided in early 1990 he'd had enough of the workaday grind at United Parcel Service's Uniondale distribution center on New York's Long Island, he sat down with his wife to calculate whether they could afford to retire early in life on his Teamster Local 804 pension.

One year later LaRocco and his wife of 29 years, Loretta, have just moved into their newly built three bedroom, lakefront home in Margate, Florida, just north of Fort Lauderdale and nine miles from the oceanfront.

Two cars—one a new convertible—are parked in their large garage, and LaRocco is now supervising construction of a 15 X 30 in-ground swimming pool in their backyard, complete with a fenced patio and jacuzzi.

Once a week LaRocco visits a nearby racetrack and once or twice a month he hacks away at one of several nearby golf courses. Recently he and Loretta took a two-week "vacation" and traveled north to visit their grandchildren.

"God's been very good to us—and 804's been very good to us," he said.

The LaRoccos' enchanted retirement was made possible because of Local 804's pension plan—and 804 President Ron Carey's vision.

Carey now is a candidate for General President of the Teamsters on the Ron Carey Slate in next December's first-ever rank-and-file election of international Teamster officers.

Throughout his campaign Carey has insisted all Teamsters deserve significantly improved pension benefits.

"If we can negotiate good pensions for Local 804 members there's no reason why we can't negotiate similar ones for all Teamsters," Carey said.

A key element in the pension program Carey first negotiated for Local 804 —way back in 1968—was the ability of his members to retire early.

That's why after 30 years on the job with UPS LaRocco retired with a monthly pension of $1,850 for the rest of his life. That, coupled with what savings a working couple with three children were able to put away, makes possible their ideal retirement.

Now only 48 and in good health, after 30 hard years on the job LaRocco can look forward to a comfortable retirement for the rest of his life.

It wasn't the same for LaRocco's father, a 34-year Local 804 member before Carey was elected president.

"My dad's pension was nothing," LaRocco says. "Ronnie was the person who changed that. He had vision. The value that we get in our pension, dollar for dollar, is because of him."

LaRocco said Carey believes working men and women should be able to enjoy the fruits of their labor by retiring early with good pensions just like those who serve in the military or government.

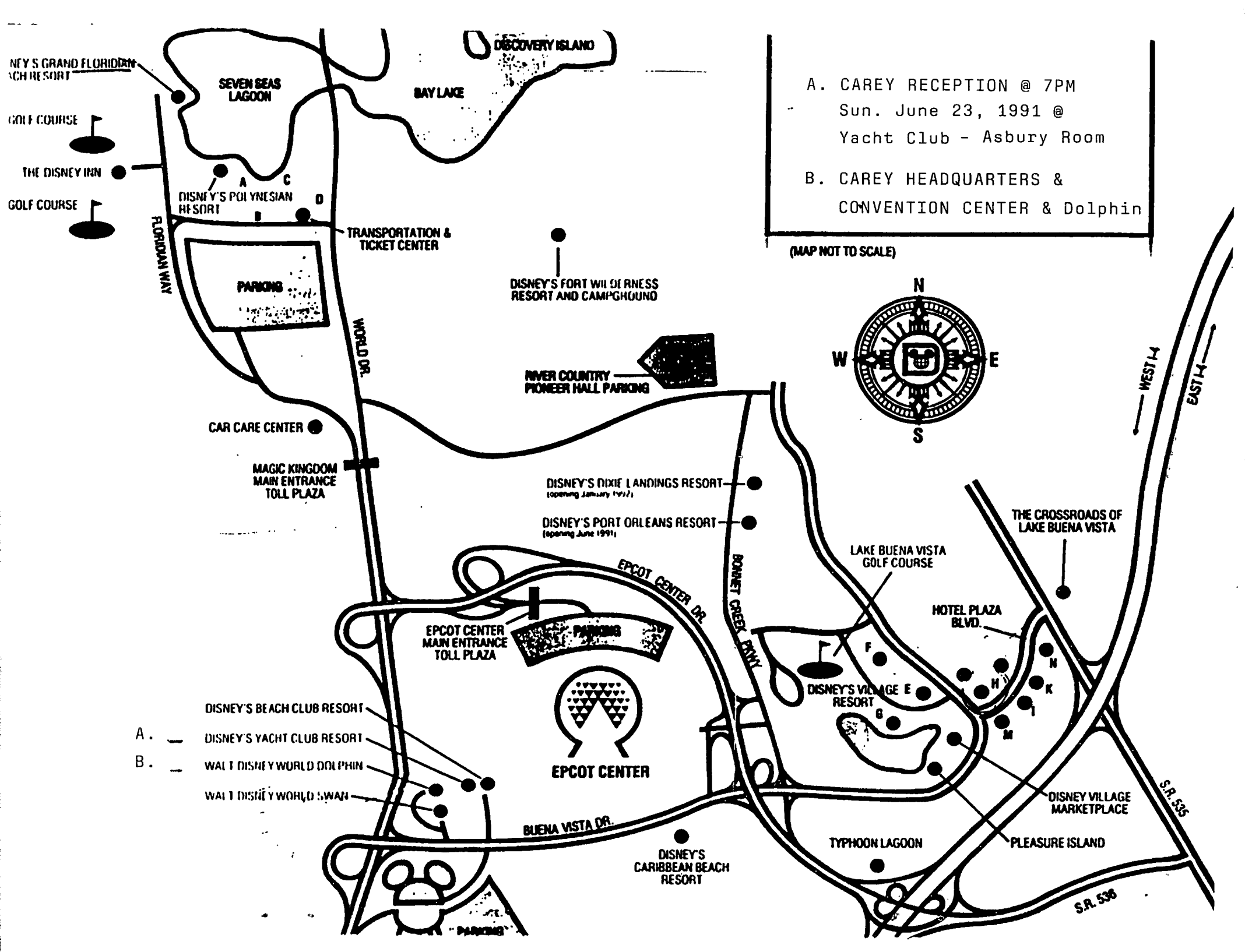
"If it wasn't for Ronnie I don't know where I would have ended up," LaRocco added. "I'm retired on $400 a week and still young enough to enjoy it. It blows my mind."

The Carey Pension Plan Can Benefit All Teamsters

When the Ron Carey Slate is elected in the first-ever rank-and-file Teamster election for international offices next December, heading the issues Carey and his team will bargain hardest for in future contract negotiations will be good, early retirement pension benefits—like these benefits he negotiated for his own Local 804.

Ron Carey's Local 804 Pension Plan

Retire ***at any age*** after 25 years on **$1,500** per month.
Retire ***at any age*** after 30 years on **$1,850** per month.
Retire at age 55 and 25 years on **$1,850** per month.
Retire at age 55 and 20 years on **$1,480** per month.
Retire at age 55 and 14 years on **$1,036** per month.


A. CAREY RECEPTION @ 7PM
Sun. June 23, 1991 @
Yacht Club - Asbury Room
B. CAREY HEADQUARTERS &
CONVENTION CENTER & Dolphin
(MAP NOT TO SCALE)
DISCOVERY ISLAND
SEVEN SEAS LAGOON
BAY LAKE
GOLF COURSE
THE DISNEY INN
GOLF COURSE
DISNEY'S POLYNESIAN RESORT
TRANSPORTATION & TICKET CENTER
FLORIDIAN WAY
PARKING
WORLD DR.
DISNEY'S FORT WILDERNESS RESORT AND CAMPGROUND
RIVER COUNTRY
PIONEER HALL PARKING
CAR CARE CENTER
MAGIC KINGDOM MAIN ENTRANCE TOLL PLAZA
DISNEY'S DIXIE LANDINGS RESORT
DISNEY'S PORT ORLEANS RESORT
EPCOT CENTER DR.
BONNET CREEK PKWY
EPCOT CENTER MAIN ENTRANCE TOLL PLAZA
PARKING
EPCOT CENTER
DISNEY'S BEACH CLUB RESORT
A. DISNEY'S YACHT CLUB RESORT
B. WALT DISNEY WORLD DOLPHIN
WALT DISNEY WORLD SWAN
BUENA VISTA DR.
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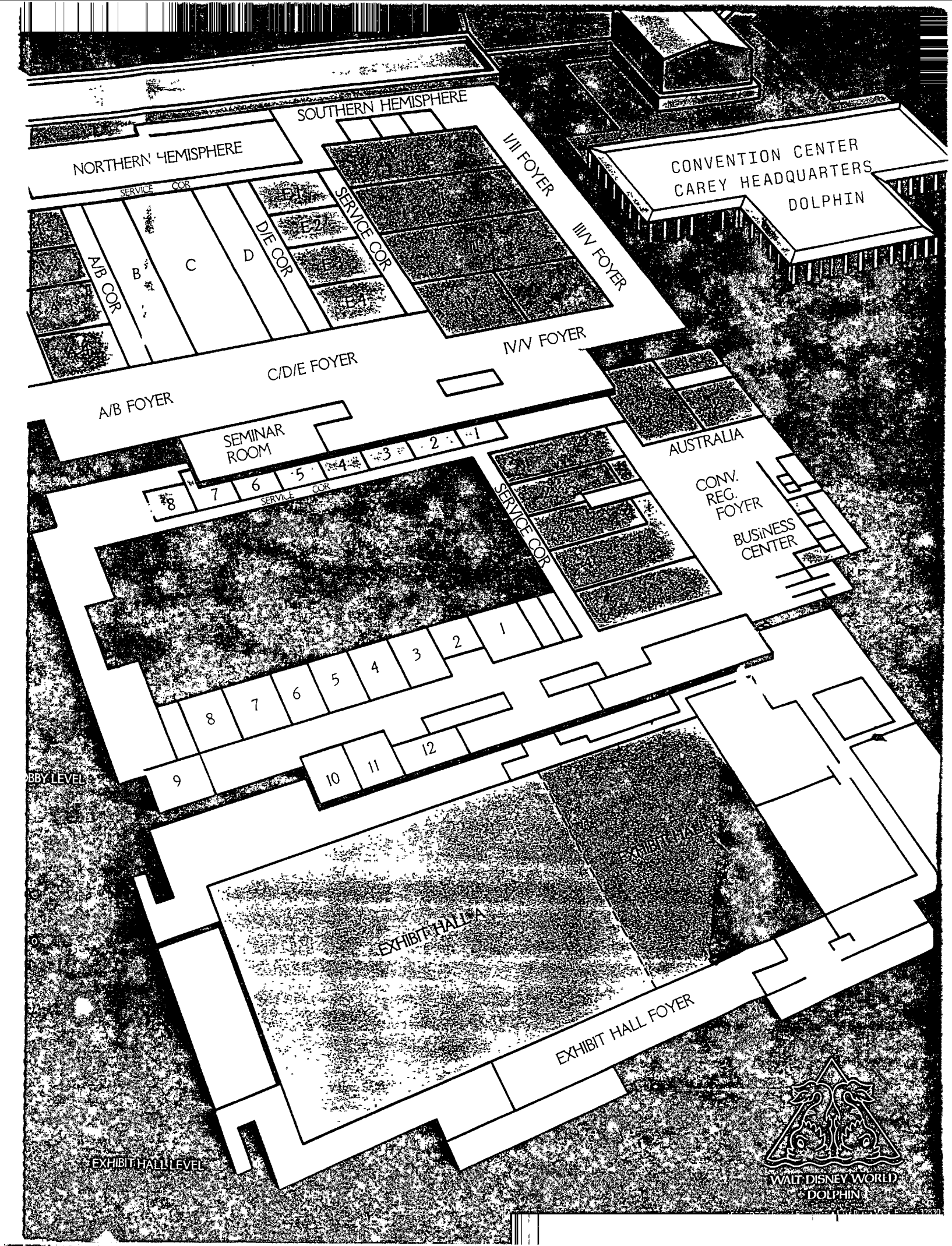
HOTEL PLAZA BLVD.
DISNEY'S VILLAGE RESORT
DISNEY VILLAGE MARKETPLACE
PLEASURE ISLAND
TYPHOON LAGOON
S.R. 535
S.R. 536


SOUTHERN HEMISPHERE
NORTHERN HEMISPHERE
SERVICE COR
A/B COR
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E-1
E-2
E-3
E-4
SERVICE COR
I/II FOYER
II/III FOYER
III/IV FOYER
IV/V FOYER
C/D/E FOYER
A/B FOYER
CONVENTION CENTER
CAREY HEADQUARTERS
DOLPHIN
SEMINAR ROOM
AUSTRALIA
CONV. REG. FOYER
BUSINESS CENTER
SERVICE COR
SERVICE COR
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EXHIBIT HALL FOYER
LOBBY LEVEL
EXHIBIT HALL LEVEL
WALT DISNEY WORLD DOLPHIN

LEGAL UPDATE

* * *

INDEPENDENT ADMINISTRATOR REJECTS DURHAM'S BID TO DISQUALIFY CAREY!

In a decision handed down on June 13, the Independent Administrator squarely rejected Durham's efforts to disqualify Ron Carey as a candidate for General President.

Durham had argued that TDU received improper monies from its legal defense foundation and that Carey, who received support from TDU, should be disqualified. Dismissing all of Durham's arguments against Carey, the Administrator ruled that "TDU never made a direct contribution to the Carey campaign" and that TDU's having published articles about Carey in Convoy Dispatch was entirely proper. He further emphasized that there was "no evidence" to suggest that Carey "had any knowledge of TDU's improper funding."

Seeing right through Durham's efforts to accomplish something in the legal arena that he has not been able to accomplish on the campaign trail, the Administrator noted that Durham's request for Carey's banishment from the presidential race was "expected" since Durham "would clearly benefit from having Carey disappear from the race." Durham's efforts failed, however, and he will now have to confront Carey on Carey's own turf: the shop floor, the Teamster barn, the truckstop and the thousands of other locations where Carey will visit Teamster members in the coming months.

CAREY WINS PROTEST AGAINST WESTERN CONFERENCE PENSION FUND

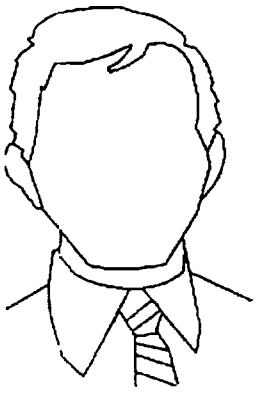
On another legal note, Carey won a major victory in the Western Conference, where the Trustees of the Western Conference

Pension Fund (four of whom were on Durham's slate) and two pro-Durham local officials had circulated materials, paid for by the pension fund and the locals, criticizing Carey's own Local 804 pension fund. Finding that this was clearly unlawful, the Election Officer ordered the officials and trustees to re-pay all monies unlawfully spent on the publication and distribution of these materials. The Election Officer's remedy also ensured that a Carey pension article will appear in an upcoming issue of the Western Conference newsletter. Both the Independent Administrator and the federal court have rejected our opponents' attempts to overturn this decision.

No doubt, in the upcoming months, our opponents will continue to commit violations of the Rules in a desperate attempt to win this election. Don't hesitate to advise us of any violations or problems of which you become aware, so that we may pursue available remedies under the Election Rules.

Faceless Teamsters!

Why Do They Fear The Carey Truth?



Because *Their* Record Is Hurting All Of Us!

They Hid This From You In the Past Just As They Hide From You Today

Recently many Teamsters throughout North America have been barraged with mud-slinging literature — always anonymous — from "concerned Teamsters" and others who do little to hide their fear of Ron Carey's candidacy for General President of the IBT. We know who's behind these scandal sheets, of course, and we'll take whatever legal action necessary to hold them accountable for their untruths.

But we won't join them in the anonymous gutter.

From the beginning the Ron Carey Campaign has been intent in conducting an open, truthful campaign. No untruths. No half-truths. No *anonymous* literature. All of it clearly identified for the Ron Carey Slate. If it isn't identified, it's not ours.

But it's understandable why his opponents would want to hide their identity. They don't want you to know what Ron Carey has done for his local, just as he'll do for all Teamsters when elected General President — *and what they haven't done for you!*

The **Ron Carey Slate** is telling you what *we* stand for, and what Ron Carey stands for. Our platform — and his platform — was developed by rank-and-file Teamsters from throughout North America. It pledges to fight for *all* Teamsters and their families what Ron Carey fought for *and won* for his Local 804, including:

Ron Carey's Local 804 Pension Plan

Retire *at any age* after 25 years on $1,500 per month.
Retire *at any age* after 30 years on $1,850 per month.
Retire at age 55 and 25 years on $1,850 per month.
Retire at age 55 and 20 years on $1,480 per month.
Retire at age 55 and 14 years on $1,036 per month.

Ron Carey, a Teamster for 35 years and principal officer of Local 804 of the highest honesty and integrity for 23 years, won this pension plan for Local 804 — *even while fighting the international leadership's concessionary bargaining, corruption, and declining membership which have plagued our union in past years.* That's why they hide behind mud-slinging scandal sheets. Desperate people do desperate things!

Elect An Honest, Decent Leadership

The Ron Carey Slate

WE Tell You Who We Are — And What We STAND For.

Committee To Elect Ron Carey, P.O. Box 1232 Long Island City, NY 11101 — Telephone (718) 786-9030

Dear Friends,

It's been said these type letters are the most difficult ones to write. But it's not for me. We all know what we want — to make the Teamsters' international leadership responsible to the membership. And that means electing The Ron Carey Slate!

To achieve this, though, requires an extensive — and expensive — election campaign. Money! Something we don't have much of because none of us makes six-figure multiple union salaries like the opposition.

But all of us do earn enough to help protect the very large investment we have already made in helping to bring about change in the Teamsters. Look what we've achieved:

- With only a third of the convention delegate elections conducted we've already elected more than 80 delegates committed to the Ron Carey Slate.
- Collected more than 110,000 petition signatures to become the *only* accredited slate of candidates going into the delegate elections.
- Because of that accreditation, the Ron Carey Slate is only slate of candidates which was awarded space — more three full pages — in the February issue of the *International Teamsters* magazine.
- Ron Carey has traveled to more than 40 states meeting with you and literally thousands of other working, rank-and-file Teamsters discussing their concerns and those of their families.
- Developed a true rank-and-file Teamsters Platform For Tomorrow — which, by the way, everyone else now seems to be adopting.

When Ron Carey began his bid for election as General President the 7,000-plus members of his own Local 804 anchored the campaign and today have raised among themselves more than $150,000. In addition, very many of you have not only contributed to the Ron Carey Slate campaign, but spent additional sums out of your pocket on helping elect convention delegates.

But the hard fact is the Ron Carey Slate campaign has grown so quickly and tremendously that we're spending in excess of $20,000 per month in our continuing effort to reach all 1.6 ***million*** Teamster members.

And we don't have that much money!

Enclosed is a Teamsters Pride & Honesty pledge card and return envelope for you, additional pledge cards for any others you are able to contact, and a fund-raising solicitation sheet for you to circulate among your fellow workers.

We know we're asking you to sacrifice. But what we've already achieved tells us all we know we CAN win. Wouldn't it be a terrible shame to throw away all those achievements for the lack of just a few dollars per month out of each of us?

Sincerely,

Ed Burke

Ed Burke
Campaign Manager

Teamster Pride & Honesty!

Committee to Elect Ron Carey
P.O. Box 1232 Long Island City, NY 11101
Phone: 718-786-9030

Yes, I'm willing to sacrifice to help the Ron Carey Slate and the rank-and-file members clean up the Teamsters union! I pledge to contribute ☐ $10 ☐ $15 ☐ $25 ☐ $_____ per month for the next _____ months. Please send me a monthly reminder.

Enclosed is my contribution of ☐ $25 ☐ $50 ☐ $100 ☐ $250 ☐ $500 ☐ $_____

Name_____ **Address**_____

City_____ **State**____ **Zip**_____ **Phone**_____ **Local**_____

☐ I want to do volunteer work. Please contact me.

Only IBT members or persons who are not employers may contribute to Ron Carey's campaign. Employers, unions, charitable organizations, trusts, foundations or other similar entities may not contribute any money, goods, services or facilities to the Ron Carey Campaign.

Finances of the IBT

WHERE THE MONEY COMES FROM

IBT income annually is $90 million, with about $74 million from membership per capita dues of $3.90 per month. Most of the rest is from investments.

About $1.4 million is taken in by the five Area Conferences, so there is about $100 million per year at the top of the union, which can be used to service locals, coordinate bargaining, defeat union busting, educate members, etc.

This $100 million does not include the income of the local unions, joint councils, pension or welfare plans, or DRIVE.

HOW OUR MONEY IS SPENT

Some 57 International Reps cost us $4.3 million per year. At least 38 have other full time jobs, some three or more. Some 12 International Auditors cost $1.3 million per year. None are CPA's. Nearly half are relatives of top officials. Twenty-three IBT officers in 1989 got $2.4 million, most of whom had multiple salaries. An additional $2.0 million was given to the officers to pay their personal attorneys, in addition to the approximately $15 million spent to date on union attorneys to fight the RICO settlement, after they signed it.

Three pension plans are run by the IBT for officials. The Affiliates Plan got $12 million in 1989, during 1989 it raised its top benefits by 29%. The Teamster Retirement and Family Protection Plan (for International officials only) has an incredible $90 million in assets. It did not need any more funding in 1989. The so-called Equity Plan paid an additional $1 million to top officers in 1989, and another $1 million in 1990. The Southern Conference and Western Conferences maintain additional plans. When Joe Morgan retired in 1990, he received lump sums of approximately $2 million. Several joint councils and some local unions maintain additional plans for officials.

In addition, we pay barbers, speech writers, chefs and a number of others. And of course, we own a fleet of luxury aircraft, some $18 million in assets.

STRIKE BENEFITS, ORGANIZING AND EDUCATION

STRIKES. At the beginning of 1989 our Defense Fund had $114 million in it. The GEB voted to transfer $34 million out, in a raid on the strike fund. The Defense Fund paid out only $4.3 million in 1989, and $3.7 million in 1990. This was less than it made on interest, so the strike fund essentially paid nothing.

EDUCATION. The International Teamster magazine costs $6.1 million per year $1.3 million goes to PR work to promote the officials. Some other educational programs are good, but badly underfunded.

ORGANIZING. Our International only employs six organizers, at a cost of about half a million dollars.

RON CAREY SLATE CONVENTION UPDATE

TO: All IBT Convention Delegates, Alternates and Campaign staff.

FROM: Ed Burke, Campaign Manager

SUBJECT: Convention Loose Ends

Last week Ron Carey wrote you about the latest additions to the Ron Carey Slate to be nominated at the Convention next week. The remaining slate additions will be announced before the beginning of the convention.

The Carey Slate's convention headquarters will be located in the Dolphin Hotel's 19th floor Caesar Suite beginning at 2 p.m. Saturday, June 21. We have an information packet we'd like you to have.

You are also invited to a reception for all supporters and friends at 7p.m. Sunday in the Asbury Room of the Yacht Club Hotel.

Throughout the convention we will be meeting regularly with the Carey Slate candidates, convention conference coordinators, state whips and other campaign workers. The conference coordinators will be:

EASTERN CONFERENCE:	JOHN BROWN, HOWIE REDMOND, LOCAL 804
CENTRAL CONFERENCE:	SAM THEODUS, LOCAL 407
SOUTHERN CONFERENCE:	DON SCOTT, LOCAL 728
WESTERN CONFERENCE:	TOM SHAY, LOCAL 57

If you have a question or need help, don't hesitate to contact your conference coordinator or state whip for assistance, or call our campaign headquarters in the Dolphin.

Finally, the Election Officer late last week reported that the convention schedule calls for Vice Presidential candidates to be nominated on Tuesday, Trustee candidates on Wednesday, and the Secretary-Treasurer and General President candidates nominated on Thursday. The results will be announced daily at 9 p.m.

I'm looking forward to seeing you at the convention. Have a safe trip to Orlando.

Federal Labor Law Prohibits Employer Contributions

RON CAREY CONVENTION OFFICE - DOLPHIN HOTEL 19TH FLOOR CEASAR SUITE - 934-4764

Eastern Conference

Coordinators: Howie Redmond (Floridian)
John Brown (Floridian)

NY - Tim O'Connor (Floridian)
Jerry Ranita (Floridian)

NJ - Mario Perrucci (Dolphin)
Gene Giacombo (Beach)

PA - Tom Sever (Caribbean)
Don Landis (Caribbean)

Carolina's/Virginia's - Mark Franks
(Sheraton Lakeside)

New England -

Central Conference

Coordinator: Sam Theodus (Guest Quarters)

OH - Bob Wenger (Guest Quarters)
Tony Hooks (Caribbean)

MI - Dan Campbell (Homewood Suites)

MN - Bill Urman (Caribbean)

IL/IA - Pat McIntosh (Radison M. Gate)
Mark Serafin (Dolphin)

KS/MO - Dennis Skelton (Caribbean)
Jim Buck (Marriott Resident Inn)

Southern Conference

Coordinator: Don Scott (Caribbean)

AL/GA - Doug Mims (Yacht)

FL - Jack Barmon (Hilton)
Ronnie Green

TN/AR/MS - David Bowden (Swan)
Aaron Belk (Caribbean)

TX - John Riojas (Holiday Inn)

OK - Scott Cunningham (Caribbean)

Western Conference

Coordinator: Tom Shay (Grosvenor)

OR - Tom Shay (Grosvenor)

WA - Bob Hasegawa (Royal Plaza)

CA - Steve MacDonald (Royal Plaza)
Joe Fahey (Motel 6 E. Gate)
Jerry Moerler

CO/NM/AZ - Jim Benson (Royal Plaza
Howard Burgen (Royal Plaza)

HOTEL TELEPHONE NUMBERS

Election Officer Headquarters - 560-2480 Fax# - 560-1355

Dolphin	934-4000	Royal Plaza	828-2828
Swan	934-3000	Grosvenor	828-4444
Caribbean	934-3400	Guest Quarters	934-1000
Beach Club	934-8000	Disney Inn	824-2200
Floridian	824-3000	Yacht	934-7000

TITAN ELECTRONIC MAIL

DATE. 06/12/91
TIME. 12.25 EST
TO. LCL/TERM-ID 961
FROM. LCL/TERM-ID IUFL
FOR. PRINCIPAL OFFICER
PAGE 001 MSG NMBR 612

TO: ALL AFFILIATES

FROM: WELDON L. MATHIS, GENERAL SECRETARY-TREASURER

SUBJECT: 24TH INTERNATIONAL CONVENTION

THIS WILL ADVISE THAT THE INTERNATIONAL UNION'S CONVENTION OFFICES HAVE BEEN ESTABLISHED IN ORLANDO, FLORIDA. TITAN MESSAGES CAN BE DIRECTED TO TITAN TERMINAL ADDRESS IUFL. YOU WILL NOT RECEIVE AN IMMEDIATE ACKNOWLEDGEMENT TO YOUR TITAN MESSAGE; HOWEVER, AN ACKNOWLEDGEMENT SHOULD BE RECEIVED WITHIN TWO HOURS OF ITS TRANSMISSION.

THE FOLLOWING OFFICES HAVE BEEN ESTABLISHED:

OFFICE OF THE GENERAL PRESIDENT
PHONE. (407) 560-2462
FAX. (407) 560-2465

OFFICE OF THE GENERAL SECRETARY-TREASURER
PHONE. (407) 560-2435, 560-2433
FAX. (407) 560-2440

LEGAL DEPARTMENT
PHONE. (407) 560-2441, 560-2442, 560-2443
FAX. (407) 560-2444

DELEGATE/ALTERNATE DELEGATE REGISTRATION
PHONE. (407) 560-2431, 560-2432
FAX. (407) 560-2440

GUEST REGISTRATION
PHONE. (407) 560-2438, 560-2439
FAX. (407) 560-2440

COMMUNICATIONS DEPARTMENT
PHONE. (407) 560-2450, 560-2451
FAX. (407) 560-2455